

PEOPLE
res 1. Spain

The Global Newspaper
Edited and Published
in Paris
Printed simultaneously in Paris,
London, Zurich, Hong Kong,
Singapore, The Hague, Marseille,
New York, Rome, Tokyo.

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

No. 33,000

13/89

**

PARIS, THURSDAY, MARCH 30, 1989

Algeria... 8.00 Dr. Iran... 115 Rials (Iran)... 1,000 Rials
Australia... 2.00 A. New Zealand... 2.00 NZD
Belgium... 2.00 B. Italy... 2,000 Lire (Italy)... 1,000 Lire
Canada... 2.00 C. Japan... 250 Yen (Japan)... 100 Yen
Czechoslovakia... 2.00 C. Korea... 1,000 Won (Korea)... 100 Won
Denmark... 2.00 D. Luxembourg... 1,000 F. (Luxembourg)... 100 F.
France... 2.00 F. Spain... 166.67 Ptas. (Spain)... 100 Ptas.
Germany... 2.00 M. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Greece... 2.00 G. Thailand... 2.00 B. (Thailand)... 100 B.
Hungary... 2.00 H. USSR... 2.00 R. (USSR)... 100 R.
Ireland... 2.00 I. U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
Israel... 2.00 S. Vietnam... 2.00 D. (Vietnam)... 100 D.
Italy... 2.00 L. Yugoslavia... 2.00 D. (Yugoslavia)... 100 D.
Japan... 2.00 Y. USSR... 2.00 R. (USSR)... 100 R.
Korea... 2.00 W. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Luxembourg... 2.00 F. Thailand... 2.00 B. (Thailand)... 100 B.
Macao... 2.00 M. U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
Malaysia... 2.00 M. USSR... 2.00 R. (USSR)... 100 R.
Mexico... 2.00 P. Vietnam... 2.00 D. (Vietnam)... 100 D.
Netherlands... 2.00 G. Yugoslavia... 2.00 D. (Yugoslavia)... 100 D.
New Zealand... 2.00 N.Z. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Norway... 2.00 N. Thailand... 2.00 B. (Thailand)... 100 B.
Poland... 2.00 Z. U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
Portugal... 2.00 Esc. USSR... 2.00 R. (USSR)... 100 R.
Romania... 2.00 R. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Russia... 2.00 R. Thailand... 2.00 B. (Thailand)... 100 B.
Singapore... 2.00 S. U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
South Africa... 2.00 R. Vietnam... 2.00 D. (Vietnam)... 100 D.
Spain... 2.00 Ptas. Yugoslavia... 2.00 D. (Yugoslavia)... 100 D.
Sweden... 2.00 S. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Switzerland... 2.00 S. Thailand... 2.00 B. (Thailand)... 100 B.
Tanzania... 2.00 S. U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
Togo... 2.00 C. USSR... 2.00 R. (USSR)... 100 R.
Tunisia... 2.00 D. Taiwan... 2.00 N.T.D. (Taiwan)... 100 N.T.D.
Turkey... 2.00 L. Thailand... 2.00 B. (Thailand)... 100 B.
U.S.A. (incl. Alaska & Hawaii)... 2.00 \$
USSR... 2.00 R. Vietnam... 2.00 D. (Vietnam)... 100 D.
Yugoslavia... 2.00 D.

ESTABLISHED 1887

Soviet Vote: 'No Cause for Alarm,' but Some Shock Waves

In Leningrad, Disbelief at Defeat

By Bill Keller
New York Times Service
LENNINGRAD — As the Communist Party leaders of Leningrad waited in smug confidence for the elections last Sunday, they were handed a poll by sociologists at the Academy of Sciences showing the city's party chief trailing an upstart 28-year-old engineer by 60 points.

They reacted to this incredible premonition, according to well-informed party members, with bursts of laughter and ironic smiles. Ridiculous. Impossible. Not in Leningrad, the cradle of the revolution.

But on Tuesday, Leningradskaya Pravda disclosed that the electorate had torn through the party hierarchy like a runaway locomotive, leaving smug assumptions and probably several careers in ruins, and presenting the party with a problem it has never had to contemplate: what to do after the people say no.

Shock and jubilation spread through the city with news that the voters, choosing a new national Congress in their first competitive elections since 1917, had repudiated the top five Communists in the Leningrad power structure.

Two of the losers, including Yuri F. Solov'yev, the Leningrad regional party boss and a nonvoting member of the ruling Politburo, ran unopposed but were defeated anyway by determined voters who scratched their names off the ballot.

"That's the amazing thing — to go into the booth, pick up a pencil and cross someone out," said a stunned party member. "We didn't think a majority cared that much."

"Even we were astonished," said Valeri Terekhov, a member of the Democratic Union, one of several independent political groups that campaigned for rejection of the party's candidates. "We thought they'd do anything, falsify the results if necessary. Now the whole situation has been stood on its head."

Around the country, enough senior party functionaries were defeated in the

elections — by one unofficial estimate, 31 party leaders at the key regional level — that Mikhail S. Gorbachev met Wednesday with top Soviet editors to assure them that there was no cause for alarm.

Mr. Gorbachev had reason to be happy about the results, since many of the officials spurned by the public had been lukewarm in their pursuit of his political and economic program, and many of the newly elected have promised more dynamic and radical support.

But in Leningrad, the election results stunned the party into silence. Rejected party officials declined interviews.

On Wednesday one of the defeated, Mayor Vladimir Y. Khodzyev, emerged from seclusion to tell the Leningrad party newspaper that the root of the problem was a people "poorly informed about our activities" and "content with rumors and gossip."

"It's not worth dramatizing the situation," Mr. Khodzyev was quoted as saying.

Around the city, residents said that the elections were a "no confidence" vote in the party leadership, and that the defeated officials should now be relieved of their party posts as well.

"If it was one person, you could write it off as a matter of personality," said Andrei N. Alexeyev, a sociologist and campaign adviser to the young engineer who demolished the city party boss. "But you can't do this in Leningrad. In Leningrad it was an expression of mistrust toward the top group in the party apparatus. I think they must resign."

The humiliation of so many high-ranking party officials, Leningrad residents said, was the result of several factors. Many said they crossed out the names of Mr. Solov'yev and the other unopposed candidates, Deputy Mayor Alexei Bolshakov, on the grounds that no official of such rank should get a free ride. Others said that the party's attempts to manipulate the outcome had also produced a backlash.



Muscovites checking voting results and reading articles about the Soviet election outside the headquarters of the weekly Moscow News Wednesday.

Pravda Calls Poll a Perestroika Victory

The Associated Press
MOSCOW — The Communist Party newspaper Pravda declared Wednesday that the parliamentary elections, in which party and government leaders failed to win seats in the three largest Soviet cities, were a victory for perestroika, the program of changes promoted by President Mikhail S. Gorbachev.

"Voters did not simply vote, like it was earlier, but they really made a choice, giving their preference to candidates whose pre-election platforms suited them better," Pravda said. "Choosing people's deputies, the country voted for perestroika."

While full official results of the balloting Sunday for 1,500 seats in the new Congress of People's Deputies will not be released for days, the tallies available

show that top officials in Moscow, Leningrad and Kiev were voted out by a frustrated public, as were at least 37 local officials around the country.

The losses could benefit Mr. Gorbachev because they point to a desire among the public for swifter change and more radical change.

Reports from the Belorussian capital, Minsk, and from Armenia, indicated that voters had rejected top leaders or just stayed away from the polls.

Pravda said that the city party leader in Minsk, V. Galiko, and a first deputy prime minister of the republic, Y. Khushinov, had failed to win seats in the Congress. Voters also rejected Communist Party leaders of the Gomel and Mogilev regions of Belorussia. The regions were affected by the Chernobyl nuclear disaster in 1986.

Gorbachev Summons the Press

By David Remnick
Washington Post Service

MOSCOW — After the defeat of dozens of top Communist Party officials in the parliamentary elections on Sunday, the Soviet leader, Mikhail S. Gorbachev, said Wednesday that such results were a natural part of the democratic process and should not be a cause for alarm.

Speaking at a hastily called session of senior Soviet editors at the offices of the party's Central Committee, Mr. Gorbachev presented his first public interpretation of the election results: that the Soviet people had chosen the candidates they felt were the strongest supporters of radical change, whether they belonged to the party or not.

The remarks by Mr. Gorbachev, who spoke for two hours, have not yet been published, but one of the editors at the meeting, Vitali A. Korotich of the liberal weekly Ogoniok, described the talk in an interview.

Mr. Gorbachev said that the election had provided the first lessons of democracy, and that the days when Soviet leaders were elected by no one and responsible to no one were over, according to Mr. Korotich's account.

"He made no direct mention of any single candidate or race," Mr. Korotich said. "He said that we needed democracy, and that pluralism gives people the possibility to go their own way. The people, he said, supported candidates who wanted to do something, and work for change."

Mr. Gorbachev, according to this account, said that when we dreamed about building a democratic society, it meant that there would be winners and losers in elections, that is natural, but when it was over we all have to work together.

In a remark that Mr. Korotich thought may have been aimed at Boris N. Yeltsin, the former Politburo member who won 89 percent of the vote in the Moscow territorial race, Mr. Gorbachev said there was a danger that some people were promising a great deal with-

out thinking out clearly how they could deliver.

Mr. Gorbachev also said the party was getting rid of privileges like special clothing and food stores for officials, but warned against people using that issue simply to divide people. The abuse of party privileges was a key issue in Mr. Yeltsin's populist campaign.

Mr. Gorbachev is to leave Moscow later this week for meetings with the Cuban leader, Fidel Castro, in Havana and with Prime Minister Margaret Thatcher of Britain in London. Mr. Korotich said he thought that the Soviet leader had called the meeting with the editors "to put out his interpretation of what happened before anyone else did while he was gone."

Last year, when Mr. Gorbachev left for a trip to Yugoslavia, his conservative rival, Yegor K. Ligachev, reportedly engineered the publication in the newspaper Sovetskaya Rossiya of a neo-Stalinist manifesto by a Leningrad teacher, Nina Andreyeva. The article became a battleground between conservatives and liberals in the party leadership.

And while Mr. Gorbachev was on vacation last summer, Mr. Ligachev gave a speech on foreign policy that at times sounded more in line with the policies of Leonid I. Brezhnev than the current Kremlin leader.

Coverage in the official press of the defeat of dozens of Communist Party functionaries in the first Soviet multi-candidate elections in 70 years has been minimal.

The central press has made no mention of Mr. Yeltsin's victory and has given few details about the crushing defeats to the top echelons of the party apparatus in cities like Leningrad and Kiev.

One of the major blows was the defeat of more than 30 regional party secretaries. Such officials used to sit as supreme rulers of their regions and were routinely, and ruefully, called "the czar" by the local people.

2 Officials Slain at Mosque

Brussels Killings Follow Threats On Rushdie Book

Compiled by Our Staff From Dispatches
BRUSSELS — The spiritual leader of Belgium's Muslims and an aide were shot and killed on Wednesday night after one of them had received threats related to the novel "Satanic Verses," the police said.

The victims were Abdullah Ahdal, a Saudi Arabian, and his deputy, Salim Bahri, a Tunisian. Mr. Bahri, 40, was in charge of the mosque's library and social services.

No one was arrested, and there were apparently no witnesses to the shootings, a police spokesman said.

The spokesman said the two were shot around 6:30 P.M. in the office of the religious leader inside the mosque, which is situated in a park near European Community headquarters.

The police spokesman said Mr. Ahdal, 36, had received threats after a statement he made on Belgian television about Salman Rushdie, a British subject and author of "The Satanic Verses." A television reporter added that station officials had received angry phone calls after the program.

Journalists quoted Mr. Ahdal as saying in the interview that the death sentence pronounced by Ayatollah Ruhollah Khomeini against Mr. Rushdie was aimed at public opinion within Iran but that in Europe there was freedom of expression.

Mr. Ahdal's wife, clad in a black veil and red dress, ran out of the mosque after the two men's bodies were discovered, brandishing a gun and shaking with anger at her husband's murder.

She threatened to fire into an assembled crowd before the police seized her and established that she had not killed the two men.

"Given the interview that Ahdal gave the RTBF broadcasting network, it seems there is a link between the murder and death threats he received about Rushdie's novel," the police spokesman said.

In another development, the British foreign secretary, Sir Geoffrey Howe, called off a brief visit to Peshawar, Pakistan, and instead met with officials and went sight-seeing in Tamil Nadu, the southern Indian state, after a change in his itinerary that was caused by concern for his security in Pakistan over the Rushdie book.

(AP, Reuters, UPI)

Kiosk

Seoul to Drop Stand on North

SEOUL (AFP) — South Korea is dropping its five-month-old policy of promoting economic contacts with North Korea, officials said Wednesday, because of a secret and illegal trip there by a leading dissident who met with President Kim Il Sung and other Communist officials.

A spokesman for the governing Democratic Justice Party of President Roh Tae Woo said that the trade policy was under review and that it would be either abandoned or put aside because of the trip by the Reverend Moon Il Kwan to Pyongyang to discuss national reunification.

General News

Riches for Hungary: A U.S. immigrant's formula for change back home. Page 2.

Science

Data from satellites help Third World nations keep track of their natural resources. Page 9.

Business/Finance

U.S. authorities took control of 20 failed banks of Texas's MCorp group. Page 11.
Leading indicators fell in February, pointing to a slowdown in the U.S. economy. Page 11.

Crossword Page 5.

Weather Page 2.

Dow Close

The Dollar in New York
DM 1.8943
Pound 1.6886
Yen 153.325
FF 6.392

Up 5.86

FF 6.392

Rabin Acknowledges a Suspension of Attacks Against Fatah

By Glenn Frankel
Washington Post Service

JERUSALEM — Defense Minister Yitzhak Rabin has acknowledged that the Israeli army has refrained from attacking bases of Yasser Arafat's Fatah, the main wing of the Palestine Liberation Organization, for the past five months because the group has not launched attacks against Israel.

The cessation of attacks by the two sides appeared to amount to a tacit truce, although Mr. Rabin refused to characterize it as such in response to a question on the floor of the Knesset.

Instead he said that the army confined itself to targets that posed a military or terrorist threat to Israel and that, since

November, Fatah had not posed such a threat.

The defense minister also drew a distinction between Fatah and other Palestinian groups that continue to attack Israel, and conceded that Mr. Arafat's group was in conflict with the other groups.

Asked if Mr. Arafat was cooperating with more radical Palestinian groups, Mr. Rabin replied, "To the best of my knowledge there is tension between the two factions, pro- and anti-Arafat forces, and Israel has not encountered any gangs with members from both sides."

Asked through an aide to elaborate on his response, Mr. Rabin refused. However, his statement to the Knesset, or parliament,

appeared to mark a subtle but possibly significant shift in thinking by Israel's military establishment.

Until now, military officials have contended that all PLO groups are terrorist organizations and that the actions of one can be attributed to all.

The army often has launched retaliatory raids against one group following attempted infiltrations into Israel by another.

But the army now appears to be making a distinction between Fatah and other Palestinian groups and acknowledging that Mr. Arafat's group has honored his commitment not to engage in terrorist activity against Israel.

By contrast, Prime Minister Yitzhak

Shamir and Foreign Minister Moshe Arens have continued to insist that there is no substantive difference between the groups.

Groups opposed to Mr. Arafat's diplomatic initiative have made at least a half dozen attempts in recent weeks to infiltrate Israeli territory from Lebanon. Infiltrators also crossed into Israel from Egypt and Jordan in the last two weeks.

In every instance but one, the gunmen have been captured or killed without causing Israeli casualties.

But last week two guerrillas crossed over from Jordan, ambushed an Israeli patrol, killing a soldier and wounding another, and then escaped.

The defense minister said that the radi-

cal factions were seeking to enter Israel from Egypt and Jordan because Israel's strong military and intelligence network in southern Lebanon had blocked all entry attempts from there.

Mr. Rabin also denied on Tuesday assertions by a leftist Knesset member, Yossi Sarid, that the government was seeking to force the army intelligence bureau to shape its reports for political reasons.

The bureau was assailed last week by rightist politicians after disclosures that its new intelligence estimate said that most Palestinians in the occupied territories identified strongly with the PLO and that the Palestinian uprising in the territories could continue for years.

U.S. Expects No Role In Alaska Spill Cleanup

Compiled by Our Staff From Dispatches

VALDEZ, Alaska — The White House said Wednesday that it was unlikely the federal government could do any better if it took over the faltering cleanup of the nation's largest oil spill, as Alaskans concentrated on desperate efforts to save their fishing industry and beaches.

At the White House, the press secretary, Marlin Fitzwater, said Transportation Secretary Samuel K. Skinner, who flew to Valdez to assess the efforts, had told President George Bush that his initial impression was that the situation was "more positive than they might have believed."

Mr. Skinner said there was "good cooperation between the various agencies involved" in the effort, Mr. Fitzwater said.

"The preliminary feeling is that the resources are there, on the job, and probably are as effective as they might be even under some kind of federal direction," he said.

"So we would not rush into that step very quickly but no final judgments have been made."

But Alaska state officials and fishermen said that the cleanup had largely failed and that there appeared to be no chance of removing the oil from the water's surface.

Even officials of Exxon Shipping Co. have conceded that they cannot keep up with the slick, which has spread over more than 100 square miles (260 square kilometers) of Prince William Sound.

"I think it's quite clear right now that we are facing the destruction of our entire way of life," said Mayor John Devos of Valdez, the terminus of the trans-Alaska pipeline, whose 3,600 citizens depend on oil, fishing and tourism.

Governor Steve Cowper said that Exxon Shipping Co.'s response to the spill was late and inadequate and that authorities were losing hope cleaning it up and were con-

See SPILL, Page 6

China's Forgotten Democrat

Wei, Who Sought Change, Marks His 10th Year in Jail

By Nicholas D. Kristof
New York Times Service

BEIJING — Somewhere in China, a bedridden and sickly man doubtless spent Wednesday alone in his prison cell, the way he has passed most of the previous 3,653 days: the broken remnant of a dreamer who took on the state and lost.

If what people say is true, the man, Wei Jingsheng, has lost his mind as well as his teeth; he may not have realized that March 29 marked the 10th anniversary of his imprisonment for helping to lead the democracy movement in China.

If Mr. Wei were a Soviet political prisoner, his might be a household name in the West. But his name trips on foreign tongues, and he is largely forgotten in China as well as abroad. His former girlfriend has married someone else; she recently had a daughter. His father, a retired government official, has cut himself off from his son; a few days ago he slammed the door on a reporter.

Yet if Mr. Wei, 39, has been broken in mind and spirit, the movement he led and still symbolizes is taking on new life. Once again, China's intellectuals

are pressing for more democracy — and for the release of Mr. Wei and the rest of the nation's political prisoners.

The movement's best-known figure, Fang Lihui, started the calls in January with an open letter requesting amnesty for Mr. Wei and others. Since then, more than 110 intellectuals in China, and many more in Hong Kong, Taiwan and the United States, have signed petitions echoing the call.

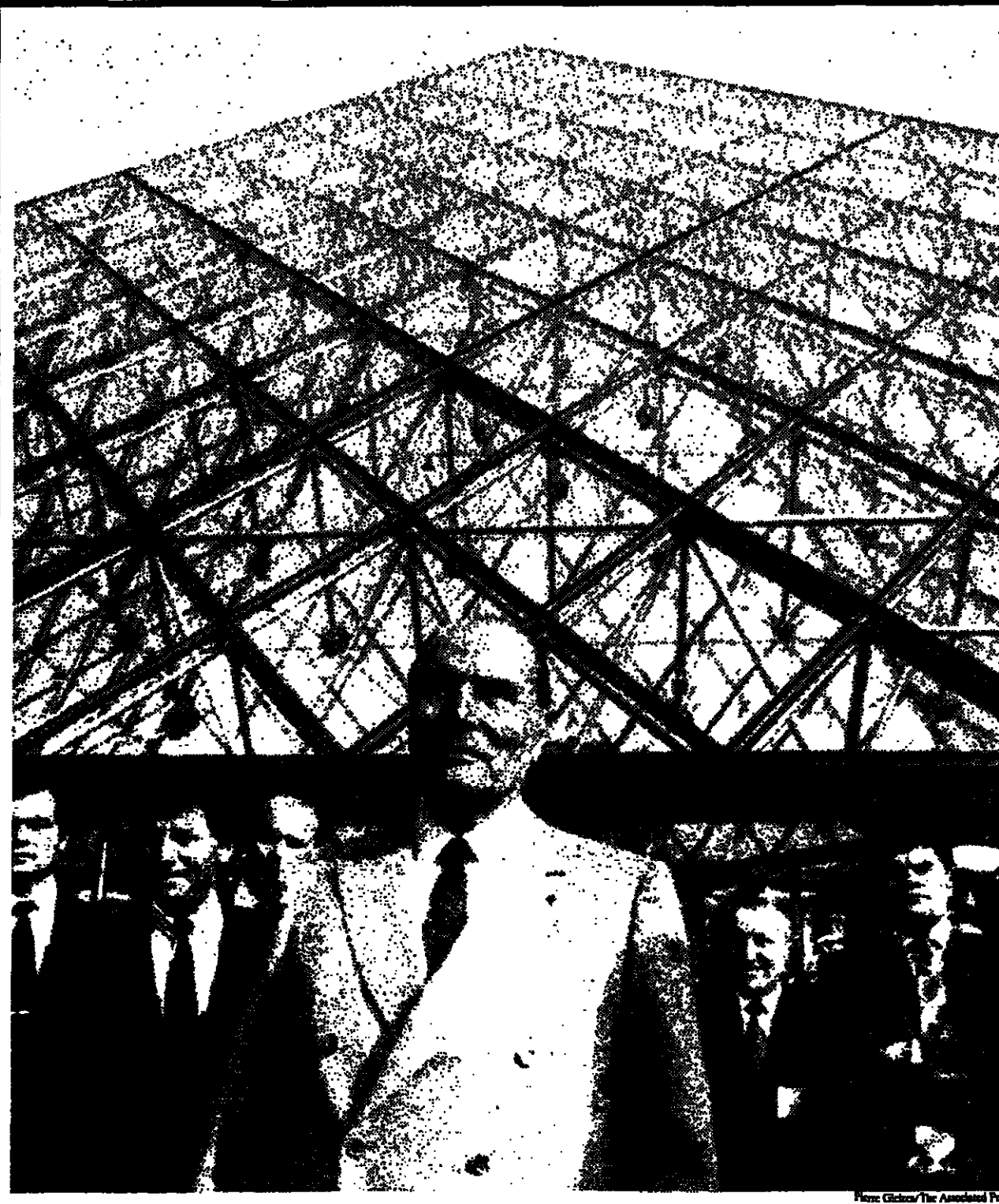
"At the moment, it doesn't look very good for his release," Mr. Fang said. But even if the amnesty campaign does not help Mr. Wei, it has already galvanized and revived the thrust for democracy.

That the government is alarmed shows in the stream of articles in the official press over the last few weeks, denouncing Mr. Wei and the democracy campaigners.

[China ruled out amnesty for political prisoners on Wednesday, saying it did not think such a move was necessary. The Associated Press reported from Beijing.]

[A vice chairman of the National People's Congress made the announcement shortly after seven Hong

See DISSIDENT, Page 6



President François Mitterrand after he snipped the ribbon Wednesday to inaugurate the pyramid at the remodeled Louvre.

In Paris, Cheers for A Pyramid

By James A. Markham
New York Times Service

PARIS — President François Mitterrand loves to saunter around Paris. So on Wednesday afternoon he took a walk around, and under, L.M. Pei's soaring, glass-and-steel pyramid in the courtyard of the Louvre.

Mr. Mitterrand, who appears headed for the history books as one of France's most ambitious builders-presidents, was in fact inaugurating one of his most disputed — and glorious — monuments.

Yet he snipped a tricolored ribbon and opened the new Louvre with a populist touch, without speech or ceremony, taking several thousand Parisians and tourists with him.

Someone handed him a cellophane-wrapped red rose, the cheery symbol of his Socialist Party, which he held as he swept triumphantly down an escalator into the sun-drenched underground lobby.

A delighted crowd mobbed Mr. Mitterrand, who wore a natty light gray summer suit tailored to the quasi-tropical weather that has embraced Paris this spring.

Fathers hoisted children to their shoulders to glimpse Mr. Mitterrand and the culture minister, Jack Lang, when they emerged unexpectedly from the huge underground complex to have a look at a lead cast of a Bernini statue of an equestrian Louis XIV that Mr. Pei placed southward of the pyramid.

L.M. Pei's buff, Mr. Mitterrand is said to have told Mr. Pei that the statue would be a kind of good-luck charm, a talisman to ensure that the American architect would have better success than Bernini did in his ill-fated attempt to redesign the Louvre in the 17th century.

"If you were here four or five years ago," said Mr. Pei, standing in a pool of light in the underground complex that links the Louvre with what has been the Ministry of Finance but is in the process of becoming part of the greater Louvre complex, "you would have been

See LOUVRE, Page 6

As Drug Trade Shifts West, Illicit Cash Floods Los Angeles

By Michael Isikoff
Washington Post Service

WASHINGTON — A surge in drug money flowing through Los Angeles area banks has produced a \$3.8 billion cash surplus at the city's Federal Reserve Bank, a 2,200 percent jump since 1985 that confirms the region's emergence as a drug and money-laundering center rivaling southern Florida, according to law enforcement and government officials.

The new figures "are a red flag that we are awash with drug cash here," said Robert Bonner, the U.S. attorney in Los Angeles. He said there was "certainly a correlation between the figures" and confirmation

that "Los Angeles has become the principal distribution center for cocaine," and "is becoming the principal financial center for the drug trade in the United States."

The Federal Reserve figures underscore a major shift in drug and laundering patterns that is confounding anti-drug efforts. As U.S. agencies have increased their interception efforts off southern Florida in recent years, Colombian drug cartels have switched their smuggling routes to the more porous Southwest border, forging alliances with Mexican drug traffickers and routing the importation of ever larger shipments of cocaine to Los Angeles.

At the same time, according to law en-

forcement officials, the cartels are increasingly turning to Los Angeles instead of Miami as their chief hub for collecting drug profits from across the United States.

This pattern was evident Wednesday when the U.S. attorney general, Dick Thornburgh, announced a new round of indictments in a huge Los Angeles-based money-laundering investigation.

Mr. Thornburgh said that criminal charges had been filed against banks in Panama and Colombia and at least 127 individuals. He said that the government had filed suit to freeze about \$412 million from the Banco de Occidente of Panama and the Banco de Occidente of Colombia,

identified as drug assets, so the money could be returned to the United States. John Lawn, head of the Drug Enforcement Administration, said that investigators believed they had "hit a major, if not the major, laundering operation in the United States."

In the first stage of the case, in February, a federal grand jury indicted more than 30 Los Angeles jewelers and their associates, charging them with laundering more than \$1 billion in drug proceeds through offices in the city's downtown jewelry district.

The money was collected in New York, Houston and other cities, shipped back to southern California by armored car and

then falsely reported as legitimate jewelry profits, according to the indictments. Within 72 hours of reaching Los Angeles, the drug money was deposited in area banks and then wired to bank accounts controlled by Colombian drug traffickers in Panama and Colombia.

The Federal Reserve figures are considered a reliable yardstick in measuring the change in money-laundering patterns. The cash surplus in Los Angeles has soared — from \$165 million in 1985 to \$1.9 billion in 1986, \$2.5 billion in 1987, and the \$3.8 billion figure last year. Miami saw its Federal Reserve cash surplus decline from \$6 billion in 1985 to \$4.8 billion last year.

Malcolm Cowley, Critic and Historian, Dies at 90

By Albin Krebs
New York Times Service

NEW YORK — Malcolm Cowley, 90, a literary critic, historian, editor, poet and essayist who was best known for being the most trenchant chronicler of the so-called "Lost Generation" of post-World War I writers, died of a heart attack in New Milford, Connecticut, on Monday.

Mr. Cowley's extraordinarily creative and prolific writing career spanned nearly 70 years, and he continued well into his 80s to produce essays, reviews and books.

He notably championed the work and advanced the careers of the post-World War I writers who shattered tradition and fostered a new era in American literature.

He seldom included himself as a leading player in that famed company of authors who used Paris at one time or another as a base of operations and whose creativity came to fruition in the 1920s.

But he was at the hub of activity and could at least be counted as an important figure even among such writers as Ernest Hemingway, William Faulkner, F. Scott Fitzgerald, John Dos Passos, Hart Crane, E.E. Cummings, Thornton Wilder and Edmund Wilson.

He possessed a strong sense of ironic detachment in assessing literature, which made him a valued editor at The New Republic and, from the mid-1940s, at Viking Press, the publishing house at which he worked part time until the spring of 1983, when he was 86.

It was Mr. Cowley who rescued William Faulkner from possible

early oblivion and who discovered John Cheever and guided him to write. Later he championed such unknown writers as Jack Kerouac and Ken Kesey.

His Harvard studies were interrupted by World War I, during which he drove ambulances and munitions trucks in France. He returned to France in 1920, after finishing college, and as a postwar expatriate he joined in questioning the literary values and styles of writers of the past. He was one of the first of the Paris group to return to the United States, and in 1929 he became an associate editor of The New Republic.

"Erle's Return," his first summing-up of the post-World War I era and still a classic, did not appear in book form until 1934, long after he had returned to the United States.

Even then, most traditionalist critics dismissed Mr. Cowley and the Lost Generation heroes he celebrated in that book, but one, Lloyd

Morris, said that Mr. Cowley offered "an intimate, realistic portrait of the era that produced a renaissance in American fiction and poetry."

Later, beginning with one of his most celebrated critical essays, the introduction to "The Portable Faulkner," published in 1946, Mr. Cowley was to kindle new interest in the work of the best writers of his generation.

Mr. Cowley, for many years a consulting editor at Viking, felt that Mr. Faulkner was a major American writer who had been "scandalously neglected."

The book and its essay opened new vistas for Faulkner readers, and Mr. Faulkner himself, years later, said "I owe Malcolm Cowley the kind of debt no man could ever repay."

In 1973 he published what was perhaps his finest collection of updated literary profiles and essays, "A Second Flowering: Works and Days of the Lost Generation," but even after that he continued to con-

tribute thoughtful articles to a number of publications.

Another, updated collection appeared as recently as February 1985. It was "The Flower and the Leaf: A Contemporary Record of American Writing Since 1941."

As to why he devoted so much of his time to writing about the writers of the 20s, Mr. Cowley explained in 1974 that they "were much more ambitious to produce a masterpiece than writers today. They were ready to sacrifice their lives to producing it," he said. "Ambition like that is rare now."

Defending himself against complaints that he looked backward too much, Mr. Cowley wrote in "A Second Flowering": "I confess to sharing the weakness often imputed to members of the generation, Dos Passos and Hemingway in particular: that of living too much in the past."

But we had such good times then, I find myself saying with others. We thought of ourselves as being wise, disillusioned, cynical, but we were wide-eyed children with a child's capacity for enjoyment. Did other generations ever laugh so hard, or do crazier things just for the hell of it?

General Lewis W. Walt, 76, decorated in 3 Wars

WASHINGTON (NYT) — General Lewis W. Walt, 76, who won combat decorations in World War II, Korea, and Vietnam, and later served as assistant commandant of the Marine Corps, died Sunday at a retirement home in Gulfport, Mississippi, after a long illness.

General Walt, a husky, outspoken man who commanded 73,000

Marines in the critical I Corps area in the five northernmost provinces of South Vietnam from mid-1965 to mid-1967, had a well-earned reputation of being a front-line general. He was also a tireless advocate of what he called "the other war" in Vietnam: winning the allegiance of Vietnamese civilians.

The general, who wrote three books after retiring from the Marine Corps, described the contradictions of the Vietnam War in an article for The New York Times in 1971. "On the one hand, it was an extremely sophisticated war, with complex weapons unlike even World War II or Korea," he wrote. "On the other hand, it was a return to medieval war, pitting man against man on a battleground where only the courageous could win."

Other deaths:

Claudio Santoro, 69, who was considered Brazil's most important living composer, of a heart attack Monday while conducting an orchestra rehearsal in Brasilia.

Major General Albert Guerese, 78, a Belgian Army doctor and Resistance fighter who helped hundreds of Allied servicemen escape from German-occupied Europe during World War II, in Brussels on Tuesday.

Madeleine Ozeray, 80, a Belgian actress whose film and theater career spanned half a century, in Paris after a long disease, a newspaper reported Wednesday.

Alberto Antignani, 40, who headed the Theater of the Opera in Rome since 1983, of what his family reported was an incurable illness, in Rome on Monday.

Republicans Lose Seat in Special Vote

Washington Post Service

WASHINGTON — In an unexpected jolt to the Republicans, Jill Long, a Democrat, has won the House seat of Vice President Dan Quayle as she upset Dan Heath in a special election.

Ms. Long got 51 percent of the vote to 49 percent for Mr. Heath. She will become the 26th woman in the House and the first Democrat to represent the 4th District in northeast Indiana since Mr. Quayle captured the seat in 1976 and launched his political career.

Ms. Long, 36, a business professor at Indiana University-Purdue University at Fort Wayne.

Ms. Long, who lost a Senate race to Mr. Quayle in 1986, ran for the House seat in November but lost to Dan Coats, then a representative.

When Mr. Quayle was elected vice president, Mr. Coats was appointed to fill Mr. Quayle's Senate vacancy, creating the special election. Mr. Heath, 36, had been a congressional aide to Mr. Coats.

Mozambique Rebels Kill 2

The Associated Press

MAPUTO, Mozambique — Two Capuchin missionaries from Italy were killed this week in an attack by rebels in central Mozambique, the national press agency reported Wednesday. The two were identified as Francesco Bertolotti and Camillo Campanella.

Partial 'Star Wars' Is Seen by Cheney

By George C. Wilson
Washington Post Service

WASHINGTON — Saying that the Strategic Defense Initiative had been "oversold" by the Reagan administration, Defense Secretary Richard B. Cheney has predicted that the United States will deploy a version of the missile defense system "at some point."

Mr. Cheney's backing of some kind of missile defense system came last week by Vice President Dan Quayle, suggesting that the Bush administration is trying to build a case for partial deployment of SDI, or at least state-of-the-art deep congressional cuts in the research program commonly known as "Star Wars."

An impregnable missile umbrella, Mr. Cheney said, is "an extremely remote proposition."

But if "you look at it as a system that could interfere with a Soviet first strike on the United States and thereby increase deterrence," he said, "then it becomes a very different proposition and has to be evaluated against other ways to modernize our land-based ICBM force."

Mr. Cheney said he thought President George Bush would look at the system that way when he decides how to make U.S. land-based missiles less vulnerable to increasingly accurate Soviet warheads.

Mr. Bush's options include protecting stationary missiles with a thin missile defense; taking the 50 MX missiles from the underground sites where they are deployed and making them mobile by putting them on railroad cars, or building a new force of small, mobile, single-warhead missiles called Midgetman.

General Larry D. Welch, the air force chief of staff, recently told legislators that 50 rail-mobile MX and 300 Midgetman missiles would be a powerful deterrent. Many air force leaders have less enthusiasm for a partial missile defense because they say they think the Soviets could easily overwhelm it with thousands of warheads.

If Mr. Bush decides to make the MX and Midgetman mobile, he would be scuttling an offer, made to the Russians by former President Ronald Reagan, to ban mobile, long-range nuclear missiles.

Besides contending that SDI would help convince Soviet planners that a nuclear attack on the United States would be a losing

proposition because not enough of the retaliatory missile force could be destroyed, Mr. Cheney employed the "third country argument" employed by a former defense secretary, Robert S. McNamara, 22 years ago in justifying deployment of a partial missile defense.

"You can argue," Mr. Cheney said Tuesday, "that SDI will become more important in the future than it has in the past because the possibility exists that you'll have other nations with ballistic missiles — with nuclear weapons or chemical warfare capabilities — that could be used against the United States."

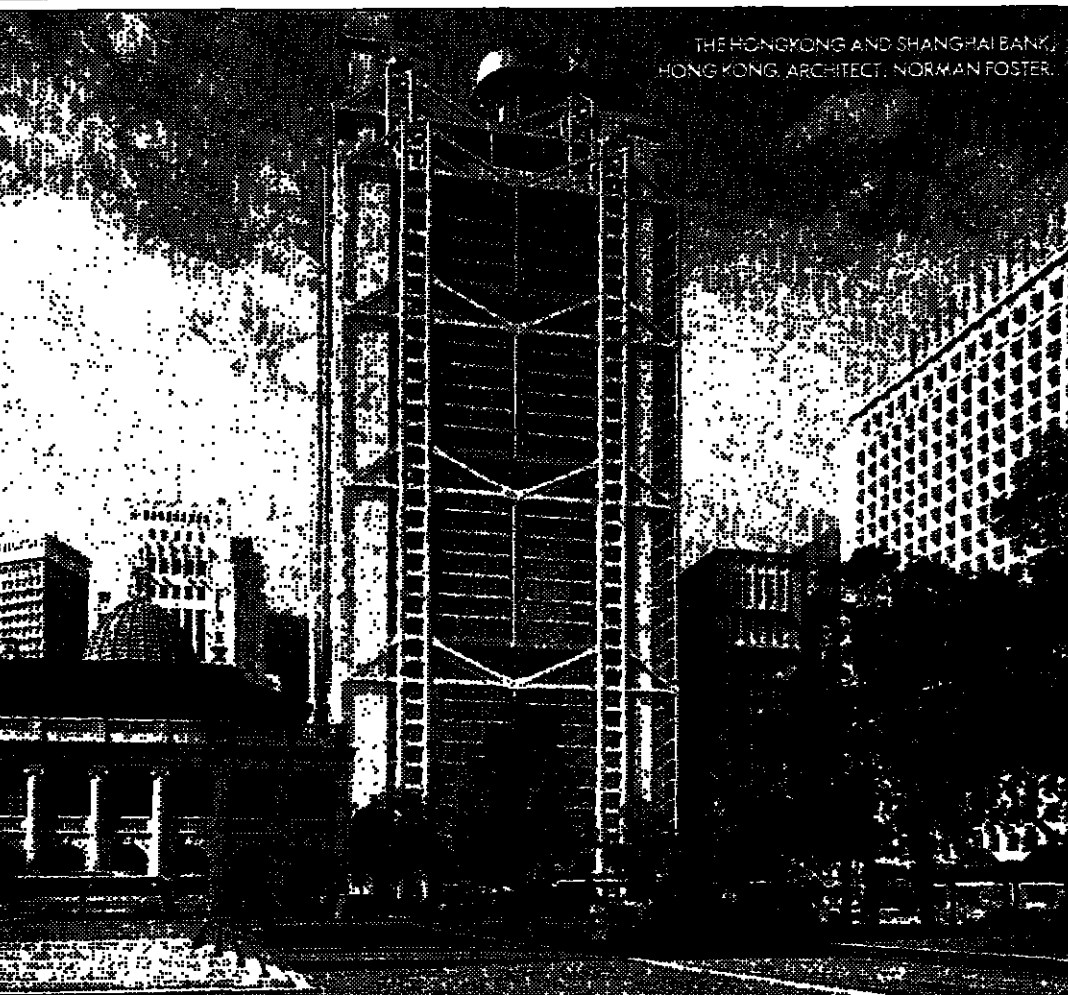
"If you had a number of nations that had the capacity to do serious damage to the United States because they had ballistic missile capability, then the old mutually assured destruction concept doesn't work nearly as well," he said. "You might well then want to move to a defense regime like SDI. So I think SDI is a very important concept."

I expect at some point the United States will deploy SDI.

Updating passbooks is one of the most time-consuming front office procedures in retail banking. ► So the Hongkong and Shanghai Banking Corporation decided to provide their customers with the means to "do it themselves" in a matter of seconds. ► In the course of 1989, hundreds of "customer-friendly" self-service passbook terminals, developed by Philips, will be installed in HongkongBank branches throughout Hong Kong. ► It is part of a unique customer service programme that will eventually extend to all overseas branches where passbook savings accounts are offered. ► The Bank also chose our background music, audio systems, business telephony and portable radio for its high-tech,

YOU CAN BANK ON PHILIPS FOR CUSTOMER-FRIENDLY TECHNOLOGY.

BANCO DE CREDITO, LIMA — PERU. ARCHITECT: ARQUITECTONICA — BERNARDO PORT BRESCHIA LAURINDA SPEAR. PHOTO: TIMOTHY HURTSLEY



high-rise headquarters in Hong Kong, and our cash dispensers and ATM's for many of its branches. ►►► In South America too, customers and staff alike can bank on Philips technology. ► We designed all the general, decorative and special lighting for the magnificent headquarters of Banco de Credito in Lima, Peru. ► We also installed a conference system for the boardroom and a background music network, featuring "selective zone" paging and public address, throughout the entire building. ►►► You will find Philips customer-friendly technology used by leading banks, building societies and insurance companies the world over. ◀

PHILIPS. THE SURE SIGN OF EXPERTISE WORLDWIDE.

PHILIPS CORPORATE MARKETING COMMUNICATIONS, Eindhoven, THE NETHERLANDS



PHILIPS

9% Back Takeshita, Poll Finds

Reuters

TOKYO — Prime Minister Noboru Takeshita's popularity has dropped to a new low, according to a public-opinion poll published Wednesday.

The poll, by the daily Mainichi Shimbun, found that only 9 percent of those surveyed supported the government, amid continuing developments in the Recruit stock scandal.

It was the worst showing by the governing Liberal Democratic Party since 1974, when Prime Minister Kakuei Tanaka resigned in disgrace over corruption charges.

Mr. Takeshita has seen his support crumble after revelations in the insider-trading scandal involving Recruit Cosmos Co. stocks, in which leading politicians and their aides, along with bureaucrats, businessmen and press officials, profited by selling stocks before listing. The scandal has led to the resignation of three cabinet ministers.

The prime minister had a peak 58.6 percent public approval rating soon after he took office in November 1987. In a poll published on Tuesday, he received a 12.6 percent approval rating. Polling just before the resignation of Mr. Tanaka put his public support at 12 percent.

Mr. Takeshita acknowledged on March 5 that he could not escape responsibility for the scandal. Opposition leaders have demanded that he dissolve his government and call elections.

About 50 investigators from the Tokyo public prosecutor's office were at the Education Ministry on Wednesday, a day after a former deputy minister of education, Kunio Takeuchi, 59, was arrested in connection with the scandal.

Herald Tribune

Published With The New York Times and The Washington Post

For Earth's Sake, Go On

Environmental diplomacy has been picking up momentum this month at a remarkable rate. First the European Community decided to stop using the chemicals known as CFCs by the end of this century. The next day President Bush joined that pledge. Then came the London conference of 123 countries, part of the process to speed up a worldwide ban on CFCs, followed by a conference at the Hague to discuss international enforcement of environmental controls in general. Last week in Basel still another conference wrote a treaty to prohibit the disgraceful practice of dumping the industrial countries' poisonous wastes in other and poorer lands.

The tensions between the rich countries and the Third World are evident. In regard to CFCs, some Third World governments made it clear in London that if they are to move to substitutes they will need technical support and perhaps even subsidies. In the case of the Amazon Basin and its rapid deforestation, Brazil has reacted with hostility to the rising criticism from the North and denounced it as "foreign meddling." That may not be Brazil's final word on the subject, but it is a warning that progress on the environmental policy is going to require more than high-minded advice delivered from long distances.

All of these meetings and exchanges, but particularly the CFC agreements, are doubly useful because they represent precedents for a far more difficult question that lies immediately ahead: how to organize the world's attempt to reduce greenhouse gases and to slow global warming. The subject is already regarded with great suspicion in the poor countries, which see it as a threat to their hopes for industrial development. Governments will enforce restrictions only to the extent that people consider them to be fair. To work out worldwide plans for reducing carbon dioxide emissions, and to win general acceptance for them, is going to require extraordinary political skill.

The United States is going to have to take the lead. America alone emits as large a volume of greenhouse gases, and contributes as much to changing the world's climate, as all of the Third World together. Americans are hardly in a position to tell China, for example, to curb its emissions unless they themselves are visibly making a serious effort to cut down their own waste and to clean up their own smokestacks. It is entirely correct to say that no country can, by itself, protect the planet's atmosphere. But it is also true that environmental protection, like charity, begins at home.

—THE WASHINGTON POST.

Mr. Reagan's Larger Jury

It is for Judge Gerhard Gesell to decide whether Ronald Reagan's testimony is legally required in the trial of Oliver North. But outside Washington's federal court, a larger jury of the American public deserves a fuller account from the former president. For whatever else the trial conveys, the evidence so far suggests that he knew much more about the Iran-Contra affair than he led Americans to believe.

Mr. North, a former National Security Council staff member, is being tried on a dozen charges, including lying to Congress, that arise from the Reagan administration's covert trade of arms for hostages in Iran and the diversion of arms sales profits to the contra fighting in Nicaragua. He wants Mr. Reagan to testify not only as a character witness but to bolster a defense strategy based on obedience to higher authority.

Judge Gesell must decide whether the defense has produced enough evidence that Mr. Reagan knew or approved what Mr. North was secretly doing for the Nicaraguan rebels. The defense attorneys aren't likely to persuade the jury that Mr. Reagan approved lying to Congress or shredding secret documents, but they have already implicated him more deeply than ever in the scandal.

Mr. Reagan's own investigating commission, led by John Tower, found that the president's related managerial style left him unaware of the Iran-contra dealings. Congressional investigating committees were unable to shake that improbable conclusion. But the testimony of Robert McFarlane, the former national security adviser, has brought damning new evidence to the surface.

One North-to-McFarlane memo described a plan to airdrop intelligence information and rifles to be used to attack Nicaraguan troop supply ships. The memorandum was somewhat officially titled "What to tell the President" and bore the notation "president approved." Was the president actually told, and did he approve? Only Mr. Reagan can supply the answer. Similar questions arise from documents signifying his personal approval for trading aid to Honduras for help to the Contras.

Such evidence stirs the questions that linger about Mr. Reagan's puzzling reactions to the Iran-contra scandal. He steadfastly defended Mr. North as a national hero despite the former Marine colonel's participation in an affair that inflicted severe damage on his presidency. And his repeated denials that he knew anything about the affair made him appear ignorant and incompetent. Without a better explanation of his personal role, he seems guilty of cynicism and mendacity.

The Tower board, the Iran-contra congressional committees and the criminal prosecution of Oliver North have all tried, in varying ways, to inform the public and fix ultimate responsibility. Whether Mr. North's admitted deception of Congress amounts to a crime is decidedly open as the prosecution prepares to rest its case.

But the question of Mr. Reagan's role, now more pointed than ever, won't go away. To the extent he values his place in history, he needs to come clean with the American people.

—THE NEW YORK TIMES.

A Martyr to the Drug War

The police did not permit Lee Arthur Lawrence's murder last week. But they did little to prevent it. As a result, the citizens of Miami are a bit more cynical about law enforcement. And drug dealers are feeling a bit more confident.

For years Mr. Lawrence, 51 years old, waged a courageous war against drug trafficking in West Perrine, the community near Miami where he lived and operated a grocery store. Defying neighbors who profited from the drug trade, he chased pushers from his parking lot, helped police drive them off the streets and lectured schoolchildren about the dangers of drugs.

The police had known for two years that Mr. Lawrence's life was at risk; he'd been shot at three times. Earlier this month he got word that some dealers were planning to kill him. He reported the threat to the Dade County police and sought special protection. Their tepid response was to increase, marginally, patrols around his store and home. Fred

Taylor, the Metro-Dade police director, explained that many people got threats on their lives and the police weren't equipped to provide "security around the clock."

Thus there were no police around when Mr. Lawrence stepped into the doorway of his store last week and gunmen cut loose with 30 rounds. Recalling the aftermath of the shooting, Mr. Lawrence's wife, Sarah, said she pointed to her husband's body and asked an officer: "Now there are police all over the place. But where were you when we needed you? Where were you?"

There's another question: Where will the next Lee Arthur Lawrence be when the police need the help and courage of ordinary citizens? "If they'll kill him, they'll kill anyone," West Perrine's crime prevention director said of Mr. Lawrence.

The drug dealers may have killed more than a man last week. They may also have killed a community's will to resist them.

—THE NEW YORK TIMES.

A Countdown in Panama

Panama is counting down to fateful national elections on May 7. General Manuel Noriega, the strong man and accused drug lord, commands center stage.

To draw the American military behind his effort to normalize relations with Washington more or less on his terms, he is nervily harassing American military personnel and civilians and the largely Panamanian canal work force. He seems to believe this tactic will appeal to an electorate that is historically susceptible to nationalist agitation and that is reeling still under the impact of U.S. sanctions that failed to dislodge him but severely punished the local economy.

The general is also reported to be enacting a program of fraud — making it possible for members of the Panama Defense Forces to vote early and often, for instance — to ensure that his chosen presidential candidate, Carlos Duque, wins.

The action on the other track is quieter, uphill and informed by an awareness that the elections offer Panama the best though far from a certain opportunity to resume the democratic progress that General Nor-

iega halted two years ago. Persuasion is being applied and concerted by leading hangers-on to Noriega, including President Carlos Andrés Pérez of Venezuela, the former Costa Rican president Daniel Oduber and the former U.S. president Jimmy Carter, all of whom earned a respectful hearing in Panama by their work to bring about the Panama Canal treaties. At their instigation, a system of international election observers is being put in place to raise the price of fraud.

General Noriega has an America policy, distasteful as Americans find it. The United States holds much of a Panama policy. Ronald Reagan found himself muscle-bound, unable to apply overwhelming American power to the necessary delicate effort, and President Bush is gun-shy.

Perhaps that's just as well. He could make a big fuss that would only play into General Noriega's current political strategy and whip up elements of the American right that seek to use the general's provocations to jumpstart the old campaign to keep the canal — the recipe for real disaster.

—THE WASHINGTON POST.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER

Co-Chairman

LEE W. HUBNER, Publisher

JOHN VINOCUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHARINE KNOOR and CHARLES MITCHELLMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • JAMES R. CRAIG, Business Financial Editor • RENÉ BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISON, Circulation Director • ROLF D. KRANZFELT, Advertising Sales Director • ROBERT HOWELL, Director, Information Services

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1)4637.9300. Telex: Advertising, 613595; Circulation, 612833; Editorial, 612718; Production, 630698.

Editor for Asia: Michael Richardson, 5 Convent Road, Singapore 0511. Tel: 472-7788. Telex: RS56928. Asia Headquarters, Office 50, Robinson Road, Hong Kong. Tel: 4361066. Telex: 61170.

Managing Dir. U.K.: Robin MacKintosh, 63 Long Acre, London WC2E 9LT. Tel: 836-6802. Telex: 262009. Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel: (212) 752-3890. Telex: 421715.

Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel: (212) 752-3890. Telex: 421715. S.A. au capital de 1.200.000 F. RCS Nanterre B732021126. Commission Paritaire No. 61337.

© 1989, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

OPINION

U.S. Economic Interests Lie in Mobility, not Restriction

By Jim Hoagland

PARIS — Old joke: A conservative is a liberal politician who has just been murdered. New joke: A liberal is a conservative politician who has just been asked how to resolve the U.S. trade deficit.

A deficit that averages \$10 billion a month even after the dollar has been pushed to the floor and despite an extraordinary export performance by U.S. industry is a political problem as much as an economic one. It has to be explained away and made to seem manageable. But by playing the politics of trade, Congress and the Bush administration risk compounding the economic problems America faces.

Something more than free trade is needed, say Americans who see themselves as disciples of free enterprise and competitive capitalism. Strong government intervention in the form of managed trade, national industrial policies and/or subsidized competitiveness schemes are seen as the only way to catch up with the Japanese and Europeans.

The leaving behind of laissez-faire by conservatives is a retreat that does not speak its name. Senator Lloyd

Bentsen frowned briefly when asked here a few days ago if he advocated managed trade. "No," the silver-haired Texan said through pursed lips. "We want more trade. The problem is that the rate of expansion in world trade has slowed down to one-half of what it was in the 1970s and one-fourth of what it was in the 1960s."

But a few sentences later, Mr. Bentsen was arguing that Japan should drop the disputed proposal to cap the new FSX jet fighter with the United States and buy U.S. planes off the shelf, essentially for political reasons. "Here are the Japanese running a trade surplus of more than \$50 billion and saying they want to help us. Well, here is an obvious case where they could be buying our aircraft. This deal was a mistake on our part."

The United States for years "was so dominant that we could trade off economic advantage for some specific foreign-policy objective of the moment," Mr. Bentsen told me. "Now that day has passed." The tough, able competitor of his allies have become "should be making the concessions now."

Mr. Bentsen, chairman of the pow-

erful Senate Finance Committee and one of the principal authors of the Trade Act of 1988, was in Europe last week on that rarest of congressional outings — a trip foreigners should take seriously. Meeting with European political leaders and officials at European Community headquarters in Brussels, Mr. Bentsen hammered home that he intends to keep President George Bush's feet to the fire on trade.

"I did not work so hard for two years to see the trade bill neglected," Mr. Bentsen said, again pursing his lips. "I am going to keep pushing until we get a coordinated trade policy, something that we could not get from President Reagan. I think we have a better chance with President Bush."

The president has encouraged the belief that he is going to be a softer target on trade by fiddling with the FSX deal as a response to pressure from Congress and from his commerce secretary, Robert Mosbacher. Mr. Mosbacher appears to be making a bid to become the dominant voice

on trade policy in the opening skirmish of what could become an intense turf war.

Reports from Washington say that the idea of establishing an economic policy "superstructure" to design and implement a coordinated industrial and trade policy is being bruited inside the Bush administration, despite campaign rhetoric about continuing the Reagan commitment to free trade.

Such a policy body may not be a bad idea, in and of itself. Bringing together the strands of trade, debt and domestic fiscal policy for policy-making into a single forum has advantages. The danger is that the superstructure will be designed by the Bush team as an Americanized version of Japan's fabled Ministry of International Trade and Industry. This approach would concentrate and amplify protectionist pressures when such pressures need to be diffused and resisted.

Threatening to play your rivals' game by their rules is an empty threat. Increased protectionism and intervention will negate many of America's most important strengths in the world marketplace. Managed

trade is a game the Japanese and Europeans play well through their centralized, disciplined systems of governance and finance. America's economic interests still lie in exploiting the mobility of goods, labor and capital that the global economy permits, not in restricting that mobility.

The trade barons of Washington should have learned that from the idiosyncratic "voluntary restraints" that the Japanese established on automobile exports to America eight years ago. The main effect of those bountiful quotas was to allow the Japanese auto manufacturers to hike their profit margins, and the prices American consumers paid, as high as they wanted.

The auto restraints and the subsequent accord the Reagan administration reached with Japan were trade-distorting deals that allegedly showed the government was "doing something" about the problem.

As conservatives used to know, when it comes to trade "doing something" is usually not better than doing nothing.

The Washington Post.

Even a Megafirm Future Will Need Governments

By Hobart Rowen and Jodie T. Allen

This is the second of two articles.

WASHINGTON — Kenichi Ohmae, in contending that the multinational corporation will bury the nation-state, denies the relevance of the statistics that have alarmed some American policymakers by suggesting a growing U.S. economic dependence on Japan.

The traditional trade accounts, he told members of the Washington trade and financial establishment this month at the Institute for International Economics, ignore the fact that American companies produce goods offshore that then are shipped back to the United States; these show up as imports. For example, U.S. corporations in Japan have sales volume, in Japan, of about \$50 billion annually. If those goods were made in the United States and shipped to Japan, that would add \$50 billion to the export ledger, he contends.

But this argument is flawed, in political and economic terms. First of all, as Fred Bergsten of the Institute for International Economics, a local think tank, pointed out, few believe that the same \$50 billion worth of goods could have jumped Japanese trade barriers if the producers had not set up plants there. (Which is not to say that the United States doesn't have its own trade barriers.)

Moreover, goods sold by U.S. companies in Japan create Japanese, not American, jobs, and the innovations in technology and production that grow up around the manufacturing process are more likely to benefit Japanese producers in the future.

To be sure, Japanese investment in the United States helps create American jobs, and forces U.S. competitors to meet new competitive standards. So why should America worry? asked Mr. Ohmae, who is director of the Tokyo office of McKinsey & Co., a management consulting firm with multinational clients around the globe. Yes, Japan sends you goods and you send us dollars. But America is the "Greenbacks Empire." Even if Japan won't buy U.S. goods and services, sooner or later the dollars must come home in the form of Japanese

investment in buildings, factories, securities, paintings and resorts.

But Mr. Ohmae provoked, rather than stilled, criticism among some in a sophisticated audience. By justifying the current "Walkman-for-real estate exchange" said Harvey Bale, a former U.S. trade official now with Hewlett-Packard, aren't you avoiding the necessity for the United States to increase its saving and investment and for Japan to increase its imports? Won't we be poorer in the long run, if we trade away our capital stock?

Moreover, as long as each nation still has its own currency, fluctuating against other currencies, trade patterns can strongly affect both internal price levels and economic growth. "Ohmae would be right," said Mr. Bergsten, "only if we moved to one currency, and if financing of trade imbalances were somehow automatic and indefinite."

As it is, a precarious arrangement helping to finance the U.S. trade deficit is currently in force. Mr. Ohmae himself suggested bluntly that a substantial further decline of the dollar could turn off the flow of Japanese money. That would mean that other governments would start calling the important shots in U.S. economic policy — and, perhaps U.S. social policy as well.

Governments, of course — inconvenient as they may seem to the international corporation — do move in behalf of their citizens than wage war or erect trade barriers. Governments are the custodians of public goods — things like clean water and air, secure neighborhoods and protection for families from the vagaries of illness, disability, old age and natural catastrophe. Yes, and at least a measure of protection against the harshness of industrial change, too.

Would a world with no public authority — in which the corporations are the law — be "an attractive world?" wondered Jack Sheehan of the United Steel Workers Union. "It sounds like the wild and woolly West."

Mr. Ohmae saw no problem in maintaining the current U.S.-Japanese trade imbalance (as recorded in the traditional way) unless Japan reaches a point where it no longer is willing to accept paper U.S. dollars. If the dollar keeps going down, he suggested, Japan will abandon its supportive role, "and at that point, America becomes another Brazil."

His prescription for the future is for the United States and Japan to drop their adversarial postures, stop worrying about exaggerated trade deficits and surpluses.

Relax and enjoy it, he says, and form a "Group of Two" to manage the global economy. "Years ago, territories meant something. Resources meant something. Today, those are very old notions. Economies, such as Singapore, Taiwan, Switzerland and Japan, are people-driven. We have to redefine the role of government, which is no longer so important."

Perhaps not, at least, as far as today's multinational conglomerates are concerned. And it is true, as Alan Greenspan, the Federal Reserve chairman, pointed out, that the country that tries to shield itself from global forces of economic change will find itself both poor and isolated.

But in the world of the future there will be not only multinational conglomerates, but human needs and values that only governments can protect.

The Washington Post.



Playing Fast and Loose With Missiles

By Jeff Bingaman

WASHINGTON — An intensive arms race is under way in the Middle East to obtain a "poor man's atom bomb" — a ballistic missile armed with a chemical warhead. As the Iran-Iraq war demonstrated, there is a willingness to use these terrible weapons on civilian populations. Thus, the prospect of the Gadhafis and Khomeinis of the world acquiring, and using, long-range missiles with a chemical capability is real.

William Webster, the director of Central Intelligence, recently told a Congressional committee, "By the year 2000, at least 15 developing countries will be producing their own ballistic missiles." He also revealed that 20 countries may already be manufacturing chemical weapons.

As for ballistic missiles to deliver chemical weapons, there is no question that the successful use of longer range missiles in the Iran-Iraq war has fueled the competition to buy or build them. Consider the current situation: An Iraqi ballistic missile, the al Abbas, is capable of hitting both Jerusalem and Cairo. The Israeli Jericho II missile can strike Soviet territory. Catching the world by surprise, the Saudis last year acquired Chinese East Wind missiles able to reach any target in the Middle East, or even in southern Europe.

Developing countries are willing to spend billions to acquire the military status and prestige that goes with owning ballistic missiles. Lacking the technological and industrial base to build them, however, Middle Eastern countries are even financing programs in other developing countries. For example, in return for funding Argentina's Condor II project, Egypt and Iraq expect to buy the missiles or adapt the technology for their own use. Colonel Moammar Gadhafi reportedly offered to fund Brazil's missile program, if given an option to buy his new medium range missile; Brazil is said to have turned down the deal.

The developed world, too, has been financially seduced into helping to bring on time ballistic missiles that can be armed with nuclear or chemical warheads. According to a recent report, there is evidence that SNIABPD, a subsidiary of Fiat, and the German firm Messerschmitt-Bölkow-Blohm have provided critical technology to Argentina's Condor II missile program. These missiles have enough range to be turned on the Falklands.

The continued proliferation of missile technology in the Middle East increases the likelihood of conflict with the spread of each and every missile. With no defense against these weapons, the prospects of a first-strike attack to prevent a neighbor from developing its own missile capability becomes ever more likely.

Not enough is being done to stop the spread of these fearful weapons. In a classic example of too little, too late, in 1987 the United States and six allies adopted the Missile Technology Control Regime to restrict the proliferation of missiles capable of delivering nuclear weapons.

But this policy will work only to the degree that its members take steps to restrict the export of controlled technology and prosecute firms that violate these controls. As chemical proliferation has demonstrated only too well, European export laws are lax and the companies

punishing companies that violate the accord. Most importantly, China and the Soviet Union must join.

As the cold war lessens, the challenge of avoiding regional conflict takes center stage. President George Bush must fulfill his campaign promises by making the control of missile proliferation a priority of his administration. Further delay will jeopardize world peace. It is only a matter of time — and maybe a very brief time — before unstable regimes have the capability to arm missiles with chemical, or even nuclear, warheads.

The writer, a Democrat of New Mexico, is a member of the Senate Armed Services Committee. He contributed this comment to The New York Times.

A Proper Target for Pressure: the Arabs

By Robert B. Goldmann

NEW YORK — The pace of Middle East diplomacy is quickening again. Arab leaders are meeting and, in turn, some of them and the Israeli prime minister have been to or are coming to Washington, to press their cases for yet another try at reviving the peace process.

In March, representatives of world Jewry gathered in Israel to manifest their fundamental support for Israel's security. Even though it was apparent that differences exist among Israelis as well as among Jews over Israeli policies or tactics, there was agreement among the more than 1,400 delegates from more than 40 countries on a key point. As the president of France's Council of Representative Jewish Institutions, Theo Klein, said, "Even as we have expressed our views on certain points, we are aware that the Israeli government, and it alone, must assume responsibility for the decisions that must be taken. And we have come here to express basic solidarity with Israel."

Still, public opinion continues to urge Israelis, and diaspora Jews, to put pressure on Israel to be "flexible," to "take risks for peace" or, as some seditious sources of advice phrase it, to "save Israel from itself."

There are two views on whether it is appropriate for diaspora Jews to exert such pressure. Those who argue yes say that, as Jews with a deep emotional, historical and often personal link to Israel, we have not only the right but the responsibility to tell Israelis when we think they are wrong and what should be changed. The opposite view is that diaspora Jews should leave Israel's foreign policy to the Israelis, because Jews outside Israel need not go to war, or be the target of terrorists or suffer the consequences of a policy gone wrong. It's the Israelis — soldiers, reservists and their families, the majority of the public — who bear the cost.

Even as this debate continues, and probably will remain unresolved, the more important question is: if diaspora Jews were to put pressure on Israel to become "more flexible," and if the U.S. government were to do likewise, joining an already strongly Arab-supportive Europe, what would happen?

First, there would be a practical problem: Since the Jewish community is divided on the issue, the pressure could only be limited, and Jews who

feel that Israeli foreign policy must be made by Israel alone will continue to say so. As for the U.S. government, with interests that on both domestic and foreign policy grounds dictate a reasonable and realistic course, crude pressure or threats are unlikely.

But were pressure to mount, even do the 65 percent of the Israelis who are neither partisans of the leftist "Peace Now" nor of the extreme right, and whose main concern is security from attack and terror, would probably respond with more determination to rely on their own strength. They might develop a "laager" mentality and be less willing to take risks.

What might begin to change them, and make them more open to alternative policies, would be evidence that real changes have occurred on the Arab side. Not the wording of a declaration by Yasser Arafat, even as the infiltrations from Lebanon and Jordan, and, of course, the intifada continue unabated, but action on the Arab side.

For example, Egypt could give life to its peace treaty by letting tourists visit Israel, increasing trade and engaging in the kind of interchange common to peace normally practice, instead of doing the mere minimum required for formal diplomatic relations.

If Jordan were to denounce the Palestinian terrorist infiltrations from its territory and seal the border; if Saudi Arabia, so often referred to in diplomatic and media circles as moderate, were to let up just a bit on its incessant anti-Israel, even anti-Semitic, propaganda; if some of these things happened, a response would be bound to follow on the Israeli side.

What is lacking is a minimum level of confidence on the part of the majority of Israelis who are not extremists or fanatics. In the absence of some real rather than just verbal changes on the Arab side, and in the light of 40 years of aggressive war, terror and non-acceptance by the Arab world (minus Egypt), that confidence won't be there. And in its absence, no Israeli government can move toward a settlement that would involve the abandonment of land that directly affects Israel's security.

Therefore, if there is to be pressure,

it should be on the Arab world — not merely and not even chiefly on Mr. Arafat and the Palestinians, but on the countries that want to be perceived as moderate. They should say and do things that would create a new atmosphere in the area: accept Israel not just as a fact but as a legitimate state and neighbor, oppose terrorism against innocents and use their influence with the leaders of the uprising to lower the level of attacks as part of a broad effort to create the conditions for moving toward peace.

Thus it is in the Arab direction that the United States, as well as the West European governments, should exert whatever pressure can be applied. Only the Arabs can create that necessary climate of trust, because it is they who, still, remain unreconciled to Israel as a neighbor, and who therefore have not been able to bring themselves to adhere to that unwritten code of behavior that makes a neighborhood.

The writer, director of European affairs for the Anti-Defamation League of B'nai B'rith, contributed this comment to the International Herald Tribune.

100, 75 AND 50 YEARS AGO

1889: Tower Salutation

PARIS — Paris will ere long be startled by a salute of 21 guns. This expenditure of powder will mark the exact moment of the completion of the Eiffel Tower and salute the tricolor as it flies out 300 metres above the level of the Seine. All that yet remains to be done is the construction of the campanile, which will contain an electric light of power equal to that of the first class lighthouses around the French coast, and capable of projecting its rays over a radius of seventy kilometres. Above the lighthouse will be a little terrace, not quite one and a half metres in diameter, accented to by an interior staircase.

1914: Mexican Unrest

MEXICO CITY — Demonstrations against President Huerta occurred in the streets here last night (March 28). The police fired upon a small crowd of students who were marching and shouting "Death to Huerta!" but

they apparently aimed high, as nobody was injured. Some arrests were made. Skirmishes between rebels and Federals are reported from the vicinity of Tampico. These are interpreted as intended to divert attention from affairs at Tlaxcala.

1939: A Trade Offensive

WASHINGTON — Germany and Italy are embarking on a "post-Madrid" trade offensive in South America, according to diplomatic sources received here today (March 29). These reports indicate that the European dictators intend to use the Nationalist triumph in Spain to increase their economic and political influence in the Western Hemisphere. Besides the recent German-Argentine barter deal, there have been reports that several other similar arrangements are pending. Meanwhile, the American counter-offensive in Latin America, for example the trade pact with Brazil, encountered difficulties in Congress.

OPINION

Public-Housing Projects:
Deadly Worlds of Neglect

By George F. Will

CHICAGO — The police cruiser crawls, like a cockroach across worn linoleum, through the concrete and grass less dirt of an urban landscape called Cabrini Green. It is a public-housing project on the Near North Side, not far from the post shops of Michigan Avenue's "Magnificent Mile" and cheek-by-jowl with some gentrified yuppiehood.

This cluster of high-rise and half-abandoned buildings is a dispiriting best for the two police officers who give their passenger a lesson in the grim realities of government in the project. They describe which gangs control which buildings, which weapons are used in the sporadic fire-fights that erupt between building-fortresses, how many foolhardy people have been hit by snipers while trying to cross the free-fire zone between buildings.

Public housing, particularly in high-rise configurations, usually is a concentration of pathology. During today's drug plague, public housing has become the desecration of the worst of the American frontier, Dodge City without a marshal.

So, you modern-day Jeffersonians, who think that government is best that governs least: Welcome to your world. It is Hobbes' world, where life is always poor, nasty and brutish and often is short. Public housing here is anarchy tempered by juvenocracy — power wielded by adolescents.

Cabrini Green will eventually be obliterated by the most powerful and revered social force, the real-estate market. Developers are salivating for these 70 or so acres near good shopping. The concentrated pathologies will be shuffled away, perhaps even dispersed. But they will be re-concentrated daily in the public schools.

In a series of hammer-blow reports, the Chicago Tribune has documented its characterization of this city's school system as "institutionalized child neglect." The bureaucracy and teachers' union are culprits. However, the reports rightly stress that two-thirds of the students live in poverty and come to school from environments of deprivation that would defeat the best intentions of even the best school system.

One high school provides day care for the children of its students, 90 percent of whom come from public housing. At another school, a 14-year-old girl is in her third pregnancy. "Another student," the Tribune reports, "sleeps with five other children on three piled-up mattresses in an unheated apartment. During the winter the boy often came to school smelling of urine because it was too cold for the smaller kids to get up and go to the bathroom at night." A teacher asks,

"How can you learn when people tell you you smell of piss, and you do?"

Some sixth graders, never having used rulers, do not know how many inches are in a foot. Some 8-year-olds from homes without books tear pages from school books to use as toilet paper. Some children come to kindergarten still not toilet trained. There are first graders who have not learned numbers or colors.

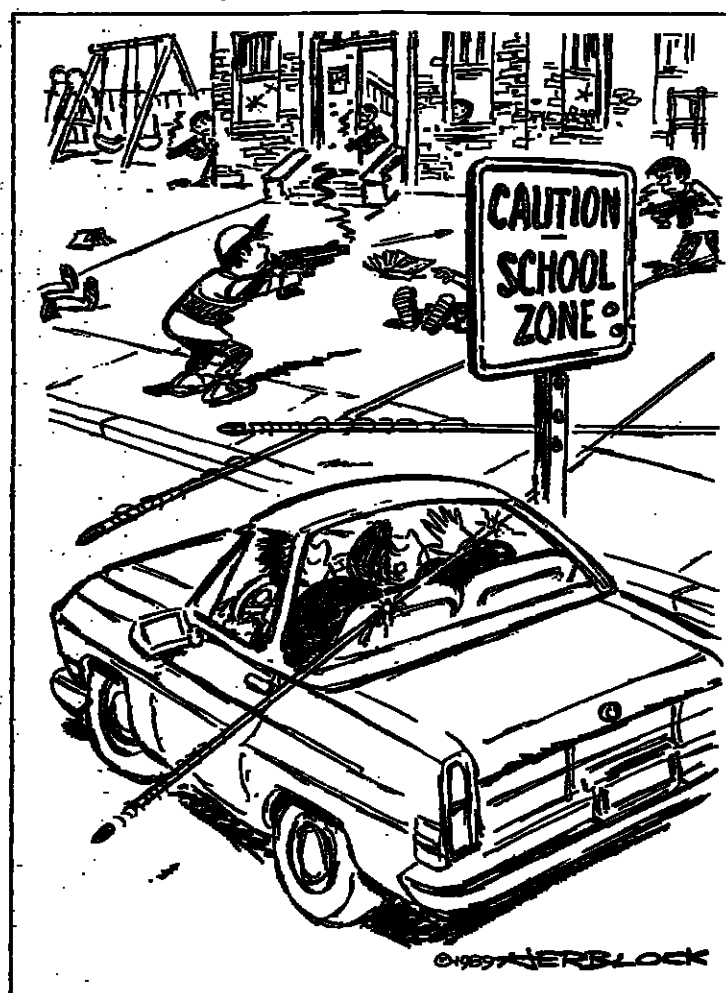
A teacher, says a teacher, "cannot take mom and dad's place. What am I going to accomplish when mom doesn't take the time to pick up a can of peas and say, 'Green! Round! Peas!'"

This panorama of pain, waste and the perpetuation of squalor and violence is a chilling example of rebarbarization. It is the eruption of primitivism in the midst of urbanity. Let us have no more abstract arguments about the relative importance of nature and nurture in the formation of individuals. Look around here, and in all other cities, and you will see the consequences of the abandonment of nurturing.

In Anne Tyler's novel "Breathing Lessons," a woman attending classes to prepare for natural childbirth exclaims, "Breathing lessons — really. Don't they reckon I must know how to breathe by now?" To which a wise woman responds, "I remember leaving the hospital with Jesse and thinking, 'Wait. Are they going to let me just walk off with him? I don't know beans about babies!'"

She continues: "You're given all those lessons for the unimportant things, piano-playing, typing . . . But how about parenthood? . . . Before you can drive a car you need a state-approved course of instruction, but driving a car is nothing, nothing, compared to . . . raising up a new human being."

In any city in any age, a walk among



the underclass is apt to be a walk on the wild side, with glimpses of deeply moving bravery, tenacity and heroism in nurturing. But the drug epidemic and the disintegration of families under the pounding of today's poverty is giving us a glimpse of how much social regression can occur in a

modern society. What is called the "cycle" of poverty is actually a downward spiral. The spiral tightens, gaining speed, because so few people live in Cabrini Green and similar places who give, or learn, lessons in the important things.

Washington Post Writers Group.

'Art,' Bad Faith and 'Journalism'

By Jonathan Yardley

WASHINGTON — It's a pity that journalists aren't a tenth as good as receiving criticism as they are at dishing it out, for if we had a higher tolerance for appraisal of our own profession, there would have been scarcely a murmur over Janet Malcolm's recent two articles in The New Yorker magazine called "Reflections: The Journalist and the Murderer."

Instead, Miss Malcolm stirred a tempest so furious you'd have thought journalism's sacred verses — Who, What, Where, When — had been blasphemed. In part no doubt the fault lies with Miss Malcolm. In an astonishingly dumb strategic maneuver, she chose to begin the series with a characterization of "the journalist" — "He is a kind of confidence man, preying on people's vanity, ignorance or loneliness, gaining their trust and betraying them without remorse" — so sweeping and superficial as to assure that the wolves of the media would come howling at her heels. The result was that criticism of her analysis focused on its least tenable arguments and largely ignored other, more cogent ones that she directly or indirectly raised.

Further complicating matters, Miss Malcolm depicts as "the journalist" a figure who is not precisely that. In describing the case of Joe McGinniss, an author, and Jeffrey MacDonald, a convicted murderer, Miss Malcolm was not writing about journalism as it is commonly understood both within and without the profession: as the purveyor of news on a regular basis, usually daily or weekly. Instead she was writing about a relatively new phenomenon, books that draw upon the techniques of both journalism and fiction to tell true stories, books that often are made possible by complicated and ambiguous arrangements between the writers and their subjects.

The author of such books — let's call him, for the sake of clarity, "the nonfiction writer" rather than "the journalist" — is, as Miss Malcolm acknowledges, to Truman Capote and Norman

Mailer and other practitioners of what is often called "the New Journalism." It has become, for authors and publishers, an immensely profitable genre, especially when used to recount true crime stories such as the one told by Mr. McGinniss in his bestselling book "Fatal Vision," about Mr. MacDonald's trial and conviction for the murder of his pregnant wife and two young children.

What books such as "Fatal Vision" offer to the reader — and what Miss Malcolm correctly identifies as one of their principal attractions to the nonfiction writer — is the promise of being on the inside of a notorious and titillating case in ways that ordinary newspaper and magazine reports cannot provide. However soberly they may be written — though few in truth are — these books hold out the allure of sensation, and in order to supply what is promised, they often draw the author into a relationship

MEANWHILE

with those about whom he is writing that can be, as certainly it was in the case of "Fatal Vision," compromising to the author and damaging to his subject.

Jeffrey MacDonald had invited Joe McGinniss to write a book about his case, had given him unlimited access to pertinent materials and the people using them in his defense, had believed himself to be Mr. McGinniss' intimate friend — and had felt betrayed when he saw himself depicted in the published book as a cold-blooded and guilty murderer. He took legal action — "It is a case about a false friend," his lawyer told the jury — and he won a financial settlement from Mr. McGinniss but no admission of the writer's culpability.

It is an odd case, but there can be little question from the evidence presented in the trial that Mr. McGinniss' letters to Mr. MacDonald provide what Miss Malcolm calls "a written record of his bad faith." These letters, from which she quotes at length, were written after Mr. MacDonald's conviction and while Mr. McGinniss was writing the book. They leave not an iota of doubt that even as he was writing a book that would damn Mr. MacDonald, Mr. McGinniss was currying favor with his subject-collaborator by "assuring MacDonald of his friendship, commiserating with him about his situation, offering him advice about his appeal, requesting information for the book, and fretting about competing writers."

As Miss Malcolm writes, it is "a correspondence full of painful moments." At least for anyone who writes and cares about the integrity of the writer's craft, I find it especially painful because, though I have never met Mr. McGinniss, we have mutual friends who have always spoken admiringly about his intelligence, diligence and decency. Yet there is simply no

getting around it: In order to protect his vested interest in Jeffrey MacDonald — he had a \$300,000 advance on the book — Mr. McGinniss misrepresented his own feelings about Mr. MacDonald and his guilt in their private, intensely personal correspondence.

In Mr. MacDonald's legal action against Mr. McGinniss, much was made by lawyers on both sides about whether a writer has a right to lie to his subjects in order to get as close as possible to the truth. Two witnesses for Mr. McGinniss, William F. Buckley Jr. and Joseph Wambaugh, testified, in Miss Malcolm's words, that "misleading subjects was a kind of sacred duty of writers" — that there is a distinction, as Mr. Wambaugh put it, between a lie ("Something that's told with ill will or in bad faith that is not true") and an untruth ("Part of a device wherein one can get at the actual truth").

This is pure sophistry, from which Mr. Wambaugh later retreated in a direct conversation with Miss Malcolm; it assumes, Miss Malcolm writes, that "ruthless expediency" is "the standard in the writing profession." It further assumes that the book ultimately to emerge from lies and deceptions is more important than the tactics used to create it; in the most literal sense of the phrase, that the end justifies the means.

Implicit in this assumption is that the book created is somehow "art," that the nonfiction writer is not bound by common laws of ethics and decency because he is making something that will occupy a higher plane than the one we mortals inhabit. This, to put it charitably, is balderdash. What the writer desecrating his subject is protecting is not art but investment: his publisher's investment in him and his own in his writing project. The books that emerge from these arrangements have nothing to do with art and much to do with exploitation. Writers who argue otherwise deceive themselves as much as they mislead others.

Janet Malcolm's exploration of this question is flawed in numerous ways, not least of them her reliance on precisely the amateur psychologizing she so deplores in Mr. McGinniss, but her essential arguments are sound and important. There is nothing sacred about the cynical process by which real human calamities are turned into blockbuster books: it is business pure and simple, not very pretty business at that, and it deserves exposure as precisely what it is.

This Miss Malcolm has done, so what she deserves from journalists is not censure but gratitude. It is too bad that she fails to distinguish between the separate crafts of journalism and nonfiction writing, but her criticism of the latter deserves to be taken seriously by practitioners of the former. People who write nonfiction, whether books or journalism, are not responsible solely to themselves — a lesson we all can learn to our profit.

The Washington Post.

LETTERS TO THE EDITOR

Castro and Gorbachev

When Mikhail S. Gorbachev visits Fidel Castro's Cuba for the first time April 2-4, he should be aware that Cuban communism is not going to prevail, just as Afghan communism will not, just as the communists of Nicaragua, Angola, Ethiopia and South Yemen probably will not consolidate their power.

Marx may have been right to some extent when he said that socialism and communism were stages following the emergence of powerful, seasoned, class-conscious working masses. This was the theory of the Soviet Communist party until Nikita Khrushchev made the mistake of assuming that the Cuban revolu-

tion represented a new road toward socialism in the Third World.

This was a tragic illusion. What really happened was that a few totalitarian types in the Third World discovered in communism an ideological pretext for exercising power without constraint and, simultaneously, a source of funding that let them commit every sort of economic folly without immediate consequences.

CARLOS ALBERTO MONTANER
Madrid.

Sleeping While You Work

The list of accidents caused by human error — Chernobyl, Three Mile Island and others — continues to grow.

The International Symposium on Sleep and Health Risk (held in Marburg, West Germany, March 8-11) concluded that people fall asleep according to biological laws and have been doing so since prehistoric times — often while at work.

What is really worrisome is that so many more people can be hurt when a train engineer or a nuclear power technician falls asleep in 1989 than when a stagecoach driver fell asleep in 1789. The chances of someone sleeping on the job have not changed, but the cost in life and property of such sleeping has. Risk management must intelligently accommodate to these new costs. For example, workers must be selected for their ability to stay awake, not for a willingness to work nights.

The symposium concluded that work-rest schedules for industries that operated round the clock must be biologically compatible with human sleep requirements. Drivers, particularly those who transport the public or dangerous materials, should be regularly tested for their ability to stay awake on the job. People with sleep pathologies, such as sleep apnea and narcolepsy, must be rapidly identified and treated.

We now have the know-how to the clear and present dangers of sleeping on the job. Do we really need another Chernobyl or a Bhopal to get going?

MERRILL M. MITLER.
La Jolla, California.

Khomeini and Rushdie: No End in Sight

Regarding "Rushdie: Writing, Ideas and Religion Can Be Taken Seriously" (Opinion, Feb. 23):

"A genuine aesthetic or moral revolutionary should hardly expect the police to protect him," William Pfaff writes. After all, the Red Brigades, etc., "take it for granted that they may be killed for their convictions." Does Mr. Pfaff see no distinction between the free expression of opinion and armed insurrection or terrorism? Are we to understand that the exercise of a right guaranteed by the United States (and all democratic constitutions) not to mention the United Nations Charter, should be placed under the heading of living dangerously?

Of course there are places in the world where it is dangerous to exercise the rights guaranteed by the constitution. Democratic societies exist, however, not only to proclaim those rights, but to protect those who exercise them. Mr. Pfaff's indication that we have no right to that protection suggests that we had all better get our Kashaunikov semiautomatic rifles as soon as possible.

LOUIS OLIVIER.
Grenoble, France.

Religion is no longer a serious matter in the West. What is now

viewed to be of highest importance is freedom of expression. The result is that anything can be said or written without consideration for the beliefs held by others.

Some object that Islam cannot be threatened by the fantasy of Salman Rushdie's novel and that the Christian faith has remained unshaken by the slanderous words that have been written about it. Let us just compare our times with the centuries when Christians built cathedrals in the name of God, turning their creativity and energy to work for what they believed in. What is left of this spirit? What is the percentage of Christians who publicly raised their voices against "The Last Temptation of Christ"? Mostens to this day, however, have kept stronger convictions.

OLIVIA REKSODIPOETRO.
Brussels.

This quarrel is not really a heroic combat for the glories of Islam or a battle for free speech. It is a war of unbridled fanaticism against the ego of one man and his book. Neither in any way leaves the world better, nor literature richer.

ROBIN WOOD.
Athens.

The moral and spiritual bankruptcy of a culture is complete

when it loses (as ours has) the very concept of blasphemy.

ANTONY C. SMITH.
Rabat, Morocco.

A March 16 letter, comparing nonsmoking Americans who demand clean air to the Ayatollah Khomeini, suggests that tobacco not only damages the lungs, the heart and other parts of the body; it devastates the cerebral cortex as well.

PATRICIA GEORGE.
Rome.

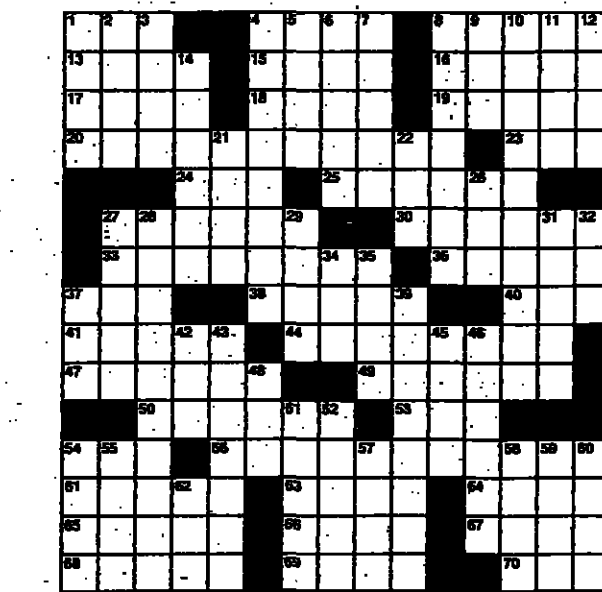
The ayatollah's anathema could lead people to think that Islam is a fragile faith that a book of fiction can shatter into pieces. Rather, we should think of a stately elephant ignoring the dogs yipping at its heels.

KARIMUDDIN.
New Delhi.

Both Salman Rushdie and Ayatollah Khomeini have broken the law. Both should be tried — Mr. Rushdie for slandering Allah, the ayatollah for asking for death without trial. If there were a trial — just where to hold it would be difficult to establish — both would more than likely be found guilty under Islamic law, while at the same time not guilty of breaking any English law.

DAVID STONE.
San Juan, Ibiza, Spain.

- ACROSS**
- Project
 - Kind of corner
 - African antelope
 - Sale phrase
 - Church part
 - Hermite
 - Outlet
 - Eager
 - Madrid mother
 - Shakespearean comedy
 - Laver or Seling
 - Bower — writer on rhetoric
 - Be it — humble
 - Musical groups
 - Rap session?
 - Rebecca at the Well painter
 - Zola
 - Olla or potche
 - Billard shot
 - Pro's partner



© New York Times, edited by Eugene Maletsky.

- DOWN**
- Coffee, in slang
 - Exploits
 - Wee
 - Kind of psychology
 - Manger visitors
 - Summon
 - Israeli desert
 - Shade caster
 - Mauna
 - Thus
 - Shakespearean tragedy
 - Roman hiddler
 - Slow book about a slave
 - European weasels
 - Rubber trees
 - Plural ending
 - Shed or Houston
 - Certain tests
 - Shakespearean historical play
 - R. B. or B. R.
 - Nearby
 - Poetic contraction
 - Silk worm
 - Newspaper section, for short
 - also
 - Certain tests
 - Govt. agency
 - Oil-bearing ships
 - Light gas
 - Actress Birmann
 - Louis XIV, e.g.
 - Silly derivate
 - Type of moth
 - Star with a tail
 - Umen marking
 - Israeli dance
 - River of France and Belgium
 - Bess
 - Dona Bennett notation
 - Understand

Solution to Previous Puzzle

SHAW EPIC SOLUS
HOPPIE PIA TRACE
EAST UN EAGLE
ARENA UNIVERSAL
RESIST ASIDE
STOA MSS DET
CASTOPHIA BASE
ARIES PAN PILLAR
WELD MOROLOGUUM
PAT GAS ROOD
COLIC BRIDAL
PEDOMETER SPICA
AROMA TRAE PARR
LIVED VENT ENID
REETS ESTE REDS



Spain is the prize.

Now that you're at work, take advantage of this opportunity. Call your staff together, show them this photograph and ask them what they'd be prepared to do to spend a few days here.

Let them know that Spanish food is first-class, and that to go with it they'll be able to choose from more than 100 different types of excellent wine.

Remind them that more than 3,000 local fiestas brighten up the calendar with music, fancy-dress, dances, giant effigies and fireworks.

Tell them that they'll be able to visit medieval castles and palaces, ancient mosques, great nature reserves, Roman amphitheatres and villages where time has stood still.

They'll be able to buy all types of handicrafts, at prices they can afford. Play golf, ski, practice water sports...

Before you finish telling them about Spain, they're sure to have snatched the magazine out of your hands. Look at them and you'll realize that you've never seen them so ready to get to work.

Think to yourself that with this incentive, there's a lot to gain but it needn't cost that much.

Spain isn't just a great country. It's also good business.

Spain. Everything under the sun.



If this doesn't get your staff going, what will?

Japan to Proceed on FSX Despite U.S. Deadlock

Compiled by Our Staff From Dispatches

TOKYO — Japanese officials said Wednesday that Tokyo had decided to proceed with plans to build the new FSX fighter jet despite a continuing deadlock over the project with Washington and opposition within the Bush administration and the U.S. Congress.

The director-general of Japan's Defense Agency, Kichiro Tazawa, called on the United States to "restore confidence" in the project after a lack of progress in talks on joint development of the proposed fighter. The plane is an updated version of the U.S. F-16 jet fighter.

The officials said a contract was expected to be signed Friday with Mitsubishi Heavy Industries Ltd. providing research funds of 10.7 billion yen (\$82.3 million) from To-

kyo's budget for the current fiscal year, which ends Friday.

In Washington, the Bush administration said Wednesday that it might be unable to meet Japan's deadline — Friday — for resolving differences on the project.

"On the other hand, it's not a drop-dead deadline," said the White House press secretary, Maria Fitzwater. "I'm not saying we will meet it or not. We're taking it one day at a time. We will do the best we can."

Mr. Tazawa said at a news conference that cooperation between the United States and Japan had not been compromised by the failure to provide sufficient guarantees to protect the transfer of U.S. technology.

"Japan and the United States have agreed to promote joint devel-

opment," he said. "As we have already exchanged documents and heads of agreement, the natural attitude of the United States must be to face up to its responsibilities and persuade Congress."

A Japanese delegation led by Seiki Nishihara, deputy director of the Defense Agency, had been negotiating the issue in Washington since last week. The delegation left Wednesday for Tokyo after the deadlock.

President George Bush said Tuesday that he was "not ready to have an announcement" on the project. He added that Washington was still "insisting on certain clarifications" to protect U.S. commercial and technological interests in building the jet.

The changes sought by Mr. Bush are said to include restrictions on

computer codes used to fly and control the aircraft, to safeguard U.S. technology, and a requirement that a certain number of the planes be built in the United States.

The government of Prime Minister Noboru Takeshita is finding itself locked between the harder line of the Bush administration and pressure from Japanese nationalists within the governing Liberal Democratic Party.

A group of influential members of the Diet, Japan's parliament, re-submitted a petition to the government on Wednesday calling for a return to the original dream of Japan building its own fighter, a project abandoned under U.S. pressure.

Mr. Bush said he was untroubled by reports that the dispute over the FSX project was damaging rela-

tions between Washington and Tokyo. But diplomatic specialists said that some harm had already been done and that failure to go ahead with the project could have serious repercussions.

The project was negotiated under the Reagan administration in November but has run into strong opposition in Congress and the Bush administration.

The plan calls for General Dynamics, producer of the F-16, and Mitsubishi Heavy Industries to develop and build the FSX for use in the 1990s.

Mr. Fitzwater said differences over the project involved "one or two of the major elements of the whole agreement," including how sensitive technology would be shared and how work would be split.

(AFP, Reuters)

LOUVRE: The Pyramid Is Opened, and It Works

(Continued from page 1)

sure that it would never have been built."

The architect said that the misty sun was great, but that more habitual Paris weather would have been fine, too.

"I used to pray for sun," he said, looking up at the 70-foot (21-meter) structure towering above him. "Afterward," he said, "I realized that the pyramid is even more transparent on a gray day when it takes on the moodiness of the Paris sky."

Almost everything is political in France, particularly architecture sponsored by the state.

When Mr. Mitterrand personally selected Mr. Pei in 1983 to design Le Grand Louvre — to give air, space and light to one of the world's most congested museums — the president's popularity was at rock bottom. Political sniping at the enterprise was intense.

The triumph in 1986 of a conservative coalition in parliamentary elections posed new perils to Le Grand Louvre, and Edouard Balla-

dur, finance minister at the time, refused to move out of his imposing offices to make way for Mr. Pei's workmen.

The rightist press, led by the daily Figaro, lambasted the idea of shattering the harmony of the Louvre's courtyard with a glass iceberg.

"We had tremendous pressure to get the Louvre itself accelerated — to get it to be what the French call *irrevocable*," said Leonard Jacobson, an American architect with the Pei team. "You don't build the Louvre. But that's what we had to do."

But on Wednesday afternoon, with the sun showing off the pyramid at its glittering best, the dispute over its esthetic merits seemed to be finally over. The crowds, and even formerly critical cognoscenti, gave it a thumbs up.

"It's a triumph," pronounced Hubert Landais, the former inspector of the Museums of France, who had once suggested that the pyramid could be leveled if it proved to be an unpopular eyesore.

Mr. Landais offered this gener-

ous judgment to C.C. Pei, the architect's son.

Many non-cognoscenti, who spilled down the curving stairway into the underground complex, were startled by its huge size, by its airy lightness and by the unique, almost underwater views it afforded of the Louvre looming above — captured through the main pyramid and three little ones added to draw in more light.

"At the beginning I was against the idea," said Marion Lepine, 21, a translator who lives in Paris. "I thought it was a bad idea to cut the proportions of the Louvre. But I like it."

Renata Acerbi, a tourist from Rome, stood transfixed right under the pyramid as hundreds of people milled about her in the sun-drenched lobby, which fans out to a giant bookstore, restaurant, 400-seat theater, several exhibit rooms and an unearthing of the remains of the first medieval fortress that rose on the site.

"I am enchanted!" she exclaimed.

SPILL: No U.S. Role Is Expected

(Continued from page 1)

centrating on saving the fishing industry.

"Just about all we can do is to act in specific areas," he said on national television. "For instance, we're trying to save the hatchery areas."

Since the tanker Exxon Valdez ran aground on Friday, 11 million gallons (41.5 million liters) of crude oil have spread more than 40 miles (60 kilometers) and contaminated some beaches and marine life in Prince William Sound.

Mr. Skinner, who was sent to assess the spill along with the Environmental Protection Agency administrator, William K. Reilly, and the U.S. Coast Guard commandant, Paul Yost, is expected to report to the president on Thursday.

Digging In

Timothy Egan of The New York Times reported earlier from Valdez: Fishermen and state officials have taken charge of the effort to stop the spill's spread, electing to fight to protect some of the hun-

dreds of islands that dot one of North America's prime salmon nurseries.

In the days since the Exxon Valdez ran aground 25 miles southwest of Valdez, its owners have scooped up less than 4,000 of the 240,000 barrels that spilled.

Isolated beaches of wilderness islands to the southwest are covered with the froth of crude oil, and the air stinks.

The coordinator of Exxon Shipping's Alaska operations, Don Corbett, said it was impossible to contain the slick with the equipment the company had available now.

While the effort to contain the damage went on, federal investigators began their first round of interviews with the ship's crew as they tried to determine what caused the accident.

Results of blood alcohol tests administered to the top crew members and to three Coast Guardsmen responsible for monitoring the ship will probably not be made available until an inquest in Anchorage next week, U.S. officials said.



After clashes in Kosovo Province between the police and ethnic Albanian protesters, Albanian schoolchildren walked between a Yugoslav policeman and an armored car on Wednesday in Pristina.

Tanks and Police Patrol in Kosovo; Rioting Eases but Toll Climbs to 29

Compiled by Our Staff From Dispatches

BELGRADE — Riot police and troops using tanks staged a show of force on Wednesday in the Yugoslav province of Kosovo where at least 29 people have died in the gravest ethnic violence since World War II.

Overturned and burned-out vehicles blocked roads where rioters angry over curbs on self-rule, erected barricades to exchange gunfire with police in a week of clashes. Streets were strewn with spent cartridges and tear gas canisters and rocks and broken glass.

The Yugoslav Interior Ministry called the rioting an armed rebellion and Kosovo state radio said it was a "counterrevolution."

A Kosovo official said there were no reports of new rioting in the province, but the Serbian interior minister, Radmilo Bogdanovic, described the security situation as "dramatic and changing from hour to hour."

"The security forces are making great efforts to restore peace and order," Mr. Bogdanovic told the Serbian parliament in Belgrade.

Mr. Bogdanovic estimated that on Monday, the most serious day of bloodshed and rioting, there

were 14,000 mainly young ethnic Albanians on the streets of Kosovo, battling 2,400 policemen.

Troops and tanks were on the move and police in riot gear patrolled in armored cars. The central government in Belgrade imposed a night curfew on the province and called in extra policemen.

Two policemen shot and killed in the rioting were being buried on Wednesday during a lull in the turmoil, which has swept through at least 18 towns across the province. One of the policemen was an ethnic Albanian, the other a Serb. The Vecernje Novosti newspaper said the death toll rose to 29 with eight ethnic Albanians succumbing to injuries.

The riots began Thursday after the Kosovo provincial assembly agreed on a cut in local powers that gave Serbia, largest of Yugoslavia's six republics, broad control of the province's security and judiciary.

Albania on Wednesday accused Yugoslavia of brutally oppressing the 1.7 million ethnic Albanians, comparing the situation with the Palestinian uprising and racial conflict in South Africa.

In an editorial, the Albanian Communist Party daily Zeri i Po-

pullit said of the ethnic Albanians in Kosovo: "No law protects the Albanians now. They are at the mercy of tanks. They are all declared to be counterrevolutionaries and enemies."

Serbian leaders say the changes will help stop Albanians persecuting Serbs in Kosovo and thwart separatist attempts to break away from the republic.

Observers said that other Yugoslav republics interpret the amendments as an attempt by Serbia to raise its profile within the Yugoslav federation.

Serbian Communist sources said Serbs were likely to further strengthen their position by securing a majority of posts on the Yugoslav party Central Committee at a congress this year.

The populist Serbian party chief, Slobodan Milosevic, who has pressed the amendment campaign, has also been proposed as the republic's next president.

In 1974, Tito granted Kosovo autonomy under a constitution that divided Serbian territory into three federal units by devolving power to both Kosovo and Vojvodina Provinces. (Reuters, AP)

DISSIDENT: 10th Year in Jail for China Democrat

(Continued from page 1)

Kong human-rights activists presented the Chinese parliament with a letter calling for the release of such prisoners, including Mr. Wei. On Tuesday, customs officers had held the activists for three hours and seized an amnesty petition signed by 24,000 people outside China.

Mr. Wei was sentenced in October 1979 to 15 years in prison for counterrevolutionary activities and for providing military secrets to a foreigner.

Through his wall posters and the magazine he edited, he had already become famous for his daring calls for democracy. "Of all of the writers then, he was the sharpest," Ren Wanding, an essayist of that period who later served four years in jail, recalled recently. "The road to democracy was carved by many, but he was in front of all of us."

For both the government and its critics, Mr. Wei has become a symbol of all the dissidents in Chinese prisons. Nobody knows how many there are, but among them is Lin Qing, who boldly protested Mr. Wei's imprisonment.

"If I had not pointed out this unfairness, I would have had to be either a coward or the worst kind of

human being," Mr. Lin said shortly before his arrest nine years ago. Little is known of his prison circumstances.

More is known about Xu Wenli, a democracy campaigner arrested in 1981. A leader of the current movement, Chen Jun, says that from October 1985 until earlier this year Mr. Xu was kept in a cell less than 10 feet by 2½ feet (3.04 by .76 meters), denied family visits and given only two small meals a day. His teeth are also reported to have fallen out, apparently because of poor nutrition.

Then there are people like Zhu Jianbin, 34, a steel worker and campaigner who was arrested in the eastern city of Wuhan in 1981 and has not been heard from since.

For the government, too, Mr. Wei is a symbol — of the measures it can take against dissidents without causing too much of an international stir.

Two years ago, when China's senior leader, Deng Xiaoping, was urging a crackdown on student unrest, he reportedly told a meeting of high officials: "People who confuse truth and falsehood or black and white, and who start rumors, must not be tolerated. We put Wei Jing-

sheng behind bars, didn't we? Did that damage China's reputation?"

"We haven't released him, but China's image has not been tarnished by that; our reputation improves day by day."

Not much is known about Mr. Wei's present circumstances. Two years ago, there was a report that he had died in prison. But this month, a Hong Kong newspaper reported that he was in a prison in western China, presumably the same one in Qinghai Province to which he was reportedly moved in 1984.

The newspaper, Ta Kung Pao, is closely associated with Beijing and often has access to otherwise unpublished data. "Wei Jingsheng has refused to reform himself, and he does not regret his crimes," the article added, explaining why leniency had not been granted to him.

Lu Lin, a friend and colleague of Mr. Wei during the 1978-79 democracy movement, spent six years in jail; from 1981 to 1984 they were in the same prison in Beijing.

Mr. Lu said he and other prisoners were never allowed to see Mr. Wei, who was confined to a single cell and allowed out only for two 20-minute periods a day when no other inmates were in the area. He said that even the guards were forbidden to talk with Mr. Wei.

Citing Vietnam Defeat, Hanoi Urges U.S. Not to Arm Sihanouk Forces

By Steven Erlanger

New York Times Service

HANOI — The United States should learn a further lesson from its experience in Vietnam and refuse to supply lethal military aid to the non-Communist resistance in Cambodia, according to Vietnam's foreign minister, Nguyen Co Thach.

The forces of Prince Norodom Sihanouk and Son Sann, a former Cambodian prime minister, are very weak, Mr. Thach said, and are further weakened politically by their alliance with the Khmer Rouge guerrillas of Pol Pot, whom the Vietnamese overthrew when they invaded Cambodia in December 1978.

"If the United States gives more money and arms to Prince Sihanouk it is very bad," Mr. Thach said. "But at the same time it cannot help Sihanouk now. Even four or five years ago it couldn't help. He predicted in 1981 that if he cooperated with Pol Pot, it would be political suicide. And now arms cannot help or rescue him from his alliance."

"America must take a lesson from the Vietnam War," Mr. Thach said. "You know the amount of arms in South Vietnam here during the war, and it did not

help the former South Vietnamese Army to stand."

Whether anyone likes it or not, Mr. Thach went on, the government in Phnom Penh, installed by the Vietnamese, has achieved a great measure of political, military and economic stability and can depend on its own strength.

But Prince Sihanouk and his allies are waiting for help that they imagine will come from the meeting of Soviet and Chinese leaders in mid-May, Mr. Thach said, "because they know they have no strength."

"So they rely on world developments, they rely on others, not on their own forces," he continued.

Mr. Thach, speaking in English in an interview on Tuesday, said there had been no significant progress in the Cambodian situation since regional peace talks ended in Jakarta in February. But he said he thought the regional process would resume.

"Everyone in Southeast Asia badly needs the success of such a regional conference," he said. "Otherwise, the big powers will poke their noses into our affairs."

Mr. Thach said he would travel to Moscow in April, but he insisted the visit was in his role as chairman of the Soviet-Vietnamese Commis-

sion on Economic Cooperation and did not concern the meeting of Chinese and Soviet leaders, at which Cambodia is expected to be a major topic.

Mr. Thach said Vietnam preferred a comprehensive political solution that would allow Hanoi to withdraw its remaining troops from Cambodia by the end of September, which would encompass a cutoff of external military aid to the forces of all the Cambodian factions and some form of internal power-sharing government that did not require the dismantling of the government in Phnom Penh.

If not that, he said, Vietnam would like a partial political solution that would include a cutoff of external aid "and some loose internal solution."

But if there is no such solution, he said, Vietnam would withdraw its troops by the end of 1990, with no alteration in the government of Prime Minister Hun Sen. "But it is not good, it is not the best one," he said.

"But it would be the worst one for Sihanouk and his allies," Mr. Thach said. "Not for us."

And the worst for Vietnam? "The worst for us is to be bogged down forever in Cambodia," he said.

Lebanese Faction

W. M. J. J. J.

The world of opportunity opens up with the opportunity of travel.



The intelligence is with a

Takam

Japan Air Lines offers more flights from Europe to Japan than any other airline. Over 30 flights a week, 15* of which are non-stop, conveniently scheduled to leave in the evening. We also fly to 60 destinations worldwide, making us Japan's number one international airline.



JAPAN AIR LINES

*FROM APRIL 1989

EUROPEAN TOPICS

Italy Debate Focuses On a 3-Year-Old

A 3-year-old Philippine girl who was illegally adopted by an Italian family is at the center of a nationwide debate. Politicians, psychologists, even Italy's president, Francesco Cossiga, expressed concern after she was removed from her adoptive home earlier in March.

The girl, Serena, was brought to Italy 14 months ago by Francesco Giubergia, who lives near Turin with his wife, Rossana, and their legally adopted son, Nassario, 5, who was also born in the Philippines. The boy's requests for a little sister prompted Mr. Giubergia's trip to Manila in the hope of avoiding the lengthy and cumbersome process of legal adoption in Italy, according to Mr. Giubergia. With the agreement of the infant's mother, he says, he declared Serena as his natural child and took her home.

But Italian officials became suspicious about the girl's status, and the Giubergias were charged with illegal adoption. On March 16, Italian television showed Serena crying as Mrs. Giubergia took her to an orphanage after a court ruling in Turin that said that violation of the adoption law was "against the rights of children." Widespread news coverage — and public outcry — ensued, and telegrams and petitions condemning "unjust justice" started piling up at the Ministry of Justice.

On Wednesday, the court began considering a request from the Giubergias' lawyer that the girl be entrusted to the couple, pending a review of the case.

Around Europe

The remains of the Piper Alpha oil platform, on which 167 men were killed when it exploded in



MASTER KIBITZER — The world chess champion, Garry Kasparov of the Soviet Union, warmed up for a tournament by watching a few matches Wednesday at a school in Barcelona.

the North Sea off Scotland last July, was demolished on Tuesday despite objections from families of 31 victims whose bodies were never found. Occidental Petroleum Corp., the rig's U.S. owner, said the huge steel legs of the 14,000-ton structure were weakened by controlled underwater explosions that split the wreckage; three tugs and a barge then pulled the structure apart until the debris toppled and sank to the seabed. Occidental said the demolition was necessary because the wreck posed a hazard to shipping.

"Tennis shoes" for horses are the latest creation of a Danish company, according to Continental Information Services, a Danish news agency. The company, Sleipner Sport, said the horseshoe consists of two layers: a stainless steel shoe mounted on the hoof with plastic fittings, and

a cleated sole made of "space age" materials, which the company declines to define further. Its managing director said the shoe reduced "tension and pressure on the hooves, bones and tendons," thus reducing the animal's risk of injury. The company is based, appropriately, in the town of Horsens.

France's population has doubled since the revolution 200 years ago, according to the French Institute of Population Studies. Between Jan. 1, 1790 and Jan. 1, 1989, the population increased from 28.1 million to almost 56 million. In that period, the birth rate dropped by about 60 percent, or from an average five children per woman in 1789 to the current average rate of 1.82 children per woman.

Sytske Looijen

Soviets See Little Chance of Reviving Mars Probe

The Associated Press

MOSCOW — Soviet scientists said Wednesday that they were losing hope that they could save the multimillion-dollar Phobos 2 probe circling a Martian moon.

"The situation is bad and, honestly, there are fewer and fewer hopes," said Alexander Zakharov, a scientist involved in the Phobos project. "The chances for regaining contact with the probe are very small."

Mr. Zakharov said that experts were conducting an investigation into the loss of contact with Phobos, an unmanned spacecraft launched more than eight months ago to orbit Mars.

He said that the mission controllers had lost regular contact with the probe on March 27, and was receiving only sporadic radio signals.

The loss of Phobos 2 would be a severe setback for the \$480 million international Phobos project led by the Soviet Union. Twenty-two countries and the European Space Agency have contributed technology or experiments to the project.

In September, a Soviet ground controller sent an erroneous computer command to a sister ship, Phobos 1, which was launched July 7. Phobos 1 became lost in space and ground controllers were unable to communicate with it.

Loss of communications apparently would prevent Phobos 1 from dropping two small landing craft onto the surface of the Martian moon. According to Soviet news reports, the spacecraft was supposed to approach within 50 meters of the moon in early April to analyze its soil with a laser and release the landing craft.

The report of the new problem with the Phobos project was released Tuesday by the official Tass press agency. In a brief report, Tass said: "In keeping with the mission's program, further operations involving the space probe Phobos were conducted on March 27. On commands from the on-board control system, the craft was turned to

automatically take pictures of the Martian moon Phobos.

"After these operations were completed, the information was to be sent back to Earth. But mission control was unable to establish stable radio contact with the probe as scheduled," Tass said that experts were analyzing possible causes of the problem and trying to regain contact.

The science director of the European Space Agency, Roger Bonnet, said in Paris that his agency was trying to get information from the Soviet Union about the problem.

"They have not informed us and we are trying to get information," he said. "At this time I don't think

there is any reason to panic. We have heard this kind of thing often."

Tass announced Jan. 30 that Phobos 2 had begun orbiting Mars on the previous day after a six-month, 180-million-kilometer voyage from Earth, and was conducting research into the planet's climate and soil.

Soviet space officials have said that the mission would help them prepare to send a manned mission to Mars early in the 21st century.

In December, Tass said that some instruments aboard Phobos 2 failed, but that most had been repaired and the problems would not prevent the completion of its program.

Pravda Attacks Rise of Nationalism in Moldavia

The Associated Press

MOSCOW — Protesters infected with a "virus of nationalistic narrow-mindedness" are turning increasingly to violence in the Soviet republic of Moldavia, Pravda said Wednesday.

The Communist Party daily said thousands of demonstrations with signs reading "Down With the Government" gathered March 19 in the republican capital of Kishinev. A week earlier, more than

20,000 staged a similar protest, and several policemen were seriously injured, it said.

The grass-roots political groups that organized the protests are seeking changes in the language, economic and environmental policies of the tiny republic, which borders on Romania, as well as a crackdown on crime and corruption, Pravda said.

The newspaper criticized the Moldavian Communist Party lead-

ership for adjusting too slowly to the republic's changing political life and letting the protests get out of hand. But it also branded some of the protesters "aspiring politicians, ambitious men, and simply unbalanced and socially immature people."

On Feb. 25, the Moldavian Communist Party leader, Semyon Grossu, condemned nationalist activists for going too far but endorsed some of their demands to

make their native language official closer to Romanian.

Moldavian and Romanian are the same spoken language, but Stalin imposed the Cyrillic, or Russian, alphabet on the Moldavians after Soviet troops occupied the region in World War II.

Mr. Grossu said work was under way gradually to reinstitute the Latin script still in Romania. Moldavia has retained close ties with Romania despite repeated at-

tempts by Moscow to link it more closely with Russia. A region of 4.2 million people, Moldavia has passed from Turkish to Russian to Romanian and back to Soviet control in the last century.

Demonstrators rallied repeatedly this winter over language demands. Pravda said that the rallies were becoming increasingly organized and that the leaders had clearly been coached by activists from grass-roots nationalist movements in other Soviet republics.

Mikhail S. Gorbachev has allowed greater autonomy for the republics under perestroika, his restructuring policy, but Pravda said the Moldavian protesters were "perestroika maximalists" who were allowing their impatience for change to be infected with the "virus of nationalistic narrow-mindedness."

"The slogan 'Down With the Government of the Republic' cannot be considered purely perestroika-oriented," it said.

BUCHWALD
IN THE EVENING AND THURSDAY
MOSCOW TIMES FROM AMERICA'S
FOREIGN NEWS SERVICE

2 Youths in Prague Hijack Jetliner to Frankfurt

By Serge Schmemmann

New York Times Service

BONN — Two armed teen-agers hijacked a jetliner from Prague to Frankfurt on Wednesday and surrendered to the West German police, asking for political asylum.

According to reports from Prague, the hijacking began when the two youths, aged 15 and 16, fired several shots with a sawed-off shotgun and a rifle inside the VIP

lounge of Ruzyně Airport in Prague.

Nobody was hit, the reports said. After some negotiations, during which the Hungarian consul in Prague offered to act as hostage, the youths boarded a jetliner of the Hungarian national airline, Malev.

All but 10 of the original 110 passengers disembarked, and the plane, a Soviet-made Tu-154A, took off toward the West. Hungarian radio reports said

that the hijackers originally asked to fly to the United States, but were told by the pilot that the three-engine plane was not equipped for the long-distance flight.

Instead, it landed at 12:32 P.M. at Frankfurt, parking on the U.S. Air Force side of the international airport. A police spokesman, Oswald Neumann, said that the two youths then asked to see an American officer, and after about 30 minutes left the plane with him and

surrendered to the West German police.

In addition to the two firearms, the police said, the youths carried a fake hand grenade made of wood.

Mr. Neumann said that the youths were being questioned, and that their identities were not immediately available. Both were thought to be Czechs.

Authorities at Frankfurt International Airport said the hijacking did not disrupt normal operations.

Lebanese Factions Heed Truce Call

Reuters

BEIRUT — Warring factions in Lebanon called a truce Wednesday after two weeks of fierce bombardments across the Christian-Muslim divide.

Sporadic artillery fire erupted from both sides, killing four per-

FBI Suspects Octogenarian Is Bandit, Too

LONGMONT, Colorado — The FBI suspects that an 82-year-old man accused of robbing a bank and fleeing on a 10-speed bicycle may be the elderly bandit wanted in a series of holdups over the last two years.

Robert Pence, the Federal Bureau of Investigation's chief agent in Colorado, said the agency had investigated "those I consider to be the 'Over the Hill' gang, where the suspects may be in their 70s, but this may be the oldest one I've experienced."

The suspect, Jack Kelm of Greeley, has been arrested on federal bank robbery charges in a robbery in which a man held employees at gunpoint and pedaled away with an undetermined amount of cash.

sons and wounding nine. But fighting was sharply reduced and seemed to be stopping in response to an appeal from the Arab League.

Most residents cautiously remained indoors, waiting to see whether the truce gained a firm hold after a round of fighting described by many as one of the worst in Lebanon's 14-year-old civil war.

The toll since mid-March is 83 dead and 269 wounded. Shellfire has gutted dozens of houses, businesses and factories, and destroyed gasoline and fuel depots, raising a risk of shortages.

Major General Michel Aoun, who heads a military government in the Christian sector, ordered his troops to cease fire during the night. A military source in West Beirut said that Moslem units of the divided army, and Syrian-backed Moslem and leftist militias, had also accepted the cease-fire.

Syria, which has 25,000 troops in Lebanon but denies they were involved in the fighting, took no public stance. But the relative silence of the guns on the Moslem side indicated that Damascus, too, was supporting the truce.

The artillery battles of the last two weeks were touched off when General Aoun sent patrol boats to blockade ports supplying militia fields south of Beirut, where the authority of his government is not recognized.

The conflict over the ports ended a phase of several years in which the general Christian-Muslim strife took second place to local

battles within various religious communities.

General Aoun, who commands a mainly Christian section of the regular army, had described the renewed fighting across the sectarian divide as a battle to rid Lebanon of Syrian troops.

Arab foreign ministers, meeting in Tunis, appealed Tuesday for an immediate halt to "fighting between Lebanese factions." An amended cease-fire appeal issued by the Arab League on Wednesday was addressed to "those fighting in Lebanon," implicitly including Syrian forces.

General Aoun's troops accused Syria on Wednesday of breaching the truce, while the pro-Syrian Druze Progressive Socialist Party blamed General Aoun's forces.

Meanwhile, the U.S. Embassy in Beirut issued a statement Wednesday saying that the home of Ambassador John McCarthy in the Christian suburb of Yarzeh was hit by Syrian shells on Tuesday night. It reported no casualties.

General Aoun's headquarters at the Defense Ministry in Yarzeh and the presidential palace in nearby Baabda were also damaged.

AUTHORS WANTED BY N.Y. PUBLISHER

Leading literary book publisher seeks manuscripts of all types, fiction, non-fiction, poetry, juvenile, scholarly and religious works, etc. New authors welcomed. Send for free booklet 143 Varotone Press, 516 W. 58th St., New York, N.Y. 10019 U.S.A.



The intelligent way to manage Tokyo is with a visit to the Prince.

Getting down to business in Tokyo is easier at the Takanawa and New Takanawa Prince Hotels. Just outside the hotel's garden walls are Tokyo's major banks and corporate centers. Inside is a peaceful beauty that makes the bustle seem centuries away. You will also find an array of international executive services. Exquisite Japanese and Western cuisine from Tokyo's finest chefs. A thoroughly professional bilingual staff. Discover why so many successful ventures begin with a visit to the Prince.

Takanawa PRINCE HOTEL

New Takanawa PRINCE HOTEL

The Takanawa and New Takanawa Prince Hotels are linked by a traditional Japanese garden. TOKYO (3) 209-8886 / PARIS 1-45-79-92-30 / LONDON 01-569-7122 / FRANKFURT 069-284427

REACHING THE EUROPEAN ELITE

In two brief decades, IHT readership among Europeans has more than tripled.

Who reads today's IHT? Since the birth of the modern International Herald Tribune in 1967, the newspaper's European readership has increased by 207%. During the same period the IHT's American readership increased by 10%. Today, European decision makers dominate the IHT's audience — as international research studies consistently demonstrate.

■ 300

IHT EUROPEAN CIRCULATION GROWTH BY NATIONALITY*

* Source IHT Reader Survey 1968, 1974, 1982, 1986 and QJD audit figures.

■ 200

■ 100

1968

1974

1982

1986

EUROPEAN NATIONALS

OTHER NATIONALITIES

US CITIZENS

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

The global newspaper.

PARIS: 181, Ave. Ch.-de-Gaulle, 92521 Neuilly Cedex, Tel.: (33-1) 46 37 93 00/Tlx.: 613595/Fax: (33-1) 46 37 93 70.
NEW YORK: 850 Third Ave., New York, NY 10022, Tel.: (1-212) 752 3890/Tlx.: 427175/Fax: (1-212) 755 8785.
LONDON: 63 Long Acre, London WC2E 9JH, Tel.: (44-1) 836 4802/Tlx.: 262009/Fax: (44-1) 240 2254.

FRANKFURT: Friedrichstrasse 15, 6000 Frankfurt/Main, Tel.: (49-69) 72 67 55/Tlx.: 416721/Fax: (49-69) 72 73 10.
HONG KONG: 7/F Malaysia Bldg., 50 Gloucester Road, Tel.: (852-5) 861 0616/Tlx.: 61170/Fax: (852-5) 861 3073.
SINGAPORE: 138 Cecil St., Cecil Court 07-02, Singapore 0106, Tel.: (65) 223 6478/9/Tlx.: 28749/Fax: (65) 224 1566.

INTERNATIONAL POSITIONS

PARTNERS AND
MANAGEMENT CONSULTANTS WITH
THE EUROPEAN PERSPECTIVE

Why wait?

Why, we at Price Waterhouse asked ourselves, wait three years until 1992 for the European perspective on management consultancy when there was nothing to stop us having it now?

On October 24th, 1988, Price Waterhouse announced a revolutionary combination of its Continental European and UK firms. It is not a merger: rather a considered response to the immediate and long-term needs of our clients and our marketplace. Most of all, it is a move designed to reinforce the existing strength of the national practices across Europe.

By building on the strong and profitable relationships between separate partnerships, each national firm will benefit from full access to the skills, expertise and support of the firm as a whole. With 587 partners and a June '88 fee income of SF863 million, that's quite a resource.

It is also a whole new frontier of opportunity for today's highest achieving Management Consultants. For once, 'highest achieving' means just that: we are looking for people to join us as Partners; as well as those who have the potential to contribute at *Partner Level*, and have the professional drive to develop new and existing business across the board of our client base – and across Europe as well.

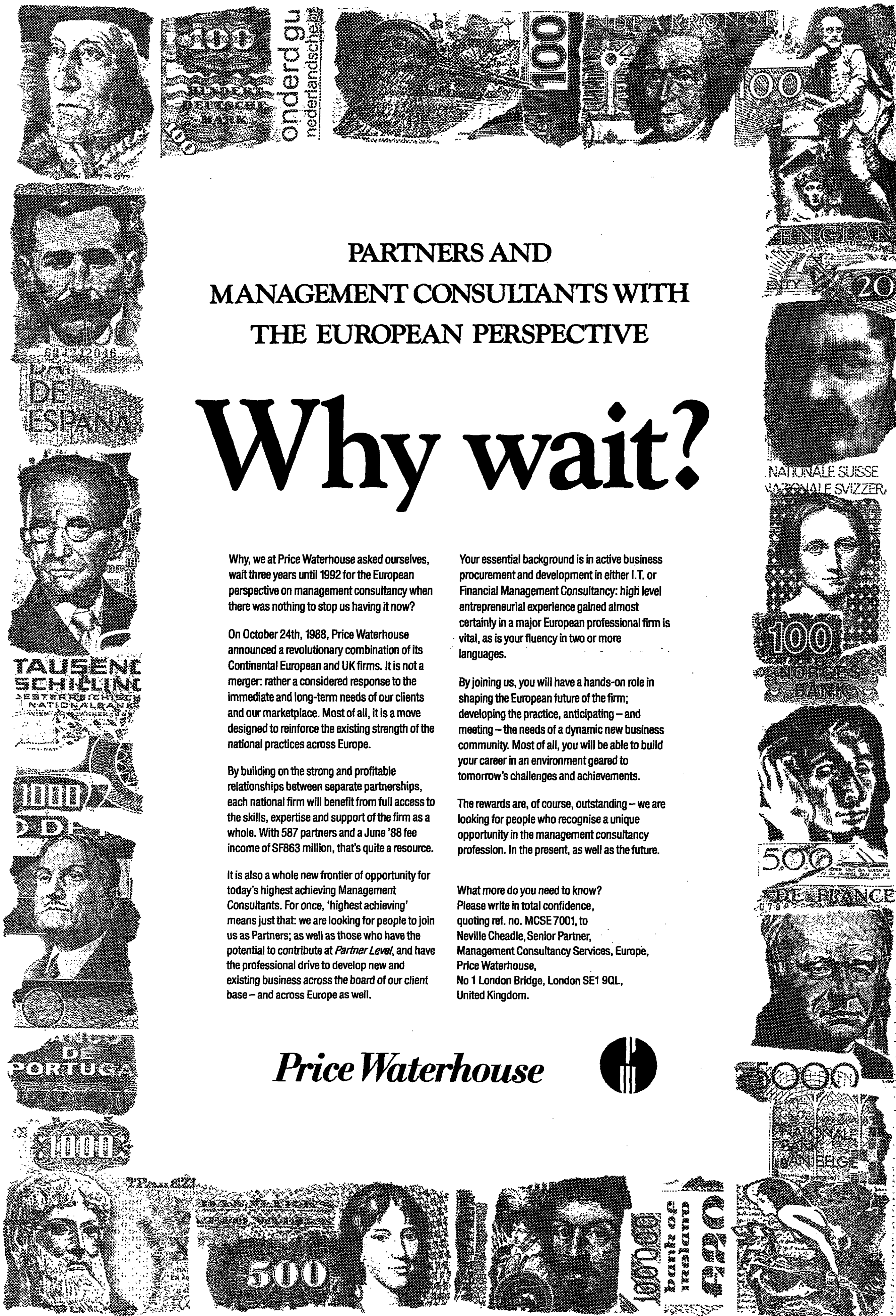
Your essential background is in active business procurement and development in either I.T. or Financial Management Consultancy: high level entrepreneurial experience gained almost certainly in a major European professional firm is vital, as is your fluency in two or more languages.

By joining us, you will have a hands-on role in shaping the European future of the firm; developing the practice, anticipating – and meeting – the needs of a dynamic new business community. Most of all, you will be able to build your career in an environment geared to tomorrow's challenges and achievements.

The rewards are, of course, outstanding – we are looking for people who recognise a unique opportunity in the management consultancy profession. In the present, as well as the future.

What more do you need to know?
Please write in total confidence,
quoting ref. no. MCSE 7001, to
Neville Cheadle, Senior Partner,
Management Consultancy Services, Europe,
Price Waterhouse,
No 1 London Bridge, London SE1 9QL,
United Kingdom.

Price Waterhouse



SCIENCE

Satellites Assist Nations In Mapping Resources

By Michael Richardson
International Herald Tribune

LADKRABANG, Thailand — About 10 times a month, when the French earth-observation satellite known as SPOT comes within range, Naras Chamboon and other technicians at Thailand's ground receiving station here look at their equipment onto its signal and record a stream of data.

Beamed from orbit 832 kilometers (about 500 miles) above sea-level, the digital information is stored on magnetic tapes that can be fed into computers, projected as photographic images on television screens, and printed in color or black and white photographs. SPOT is an acronym for the French name, Systeme Probatoire d'Observation de la Terre.

Advanced satellite technology is enabling Thailand and other Third World nations that have access to remote sensing data to record their natural resources more accurately and measure changes in the rate of resource exploitation.

It also aids exploration for minerals in remote areas. Satellite technology recently helped scientists in Japan, working with researchers in Indonesia, discover a major gold deposit on Lombok, a small island 80 kilometers north of Timor in eastern Indonesia. The find was announced last Friday.

An accurate inventory of natural resources is increasingly important for planning, management and conservation in developing countries, according to Suvit Vithulareth, director of the remote sensing division of the National Research Council of Thailand in Bangkok.

Thailand, which has a population of 55 million and is undergoing rapid economic growth, has suffered from forest depletion, misuse of land and other environmental problems. One reason this degradation went unchecked in some areas in the past, said Dr. Suvit, was the lack of up-to-date information on resources.

"Now that we are getting the information, we can show what is happening and act to remedy the situation," he said.

Antennae at the Ladkrabang station, 40 kilometers east of Bangkok, receive signals from several satellites, including SPOT-1, the first SPOT satellite in operation, as well as the U.S. Landsat-5 and Japan's Marine Observation Satellite, MOS-1.

Updating standard maps by satellite has proven to be much faster, cheaper and easier than other forms of aerial survey. In Australia, scientists used a satellite survey to map and zone the Great Barrier Reef national park, which covers an area of 360,000 square miles (932,400 square kilometers) off the coast of Queensland. The project cost about \$400,000. Using conventional aerial-mapping methods with helicopters or airplanes, it would have cost around \$16 million.

The SPOT satellite system began operation in May 1986. It was designed by the French space agency, the National Center for Space Research. The satellite, equipped with two high-resolution imaging telescopes, is the world's most advanced civilian space platform

for remote sensing. Its data is marketed and distributed by SPOT Image, a French company affiliated with the center.

Bertrand Fleutiaux, who heads the center's regional office in Bangkok, said that Canada has two SPOT receiving stations, while India, Brazil, Thailand and Pakistan each have one. The European Space Agency has a station on the Canary Islands. Australia, Japan and Bangladesh will open receiving stations soon. Indonesia and the Philippines are negotiating to build stations and receive SPOT data.

Mr. Fleutiaux said the SPOT system has several features that are attractive to government and private users. The satellite can be programmed by its control station in Toulouse, France, to move its two telescopes from side to side in order to focus on regions as far as 475 kilometers on either side of the satellite's ground track, the path directly below it on the earth's surface.

Because of the ability to move its telescopes, SPOT can monitor a particular area anywhere in the world every three days, on average, while Landsat has a 16-day average monitoring rate. The ability to return frequently to a target for monitoring is important when recording changes taking place over a relatively short period, such as floods, fire damage and water pollution.

SPOT has sharper eyes than Landsat-5 or MOS-1, picking out objects on the ground as small as 10 meters across in black and white, and 20 meters across in color. The smallest object Landsat can detect is 30 meters across, while MOS is limited to 50 meters.

However, Mr. Nares said, the SPOT and Landsat systems are complementary. "If we want to see more detail, the SPOT image is better. If we want a more spread-out view, we use Landsat."

In the laboratory of the remote sensing division at the Asian Institute of Technology near Bangkok, Bertrand Galtier, an assistant professor, said SPOT works by recording light emitted from the surface of the earth in different wave lengths, including colors in the infrared spectrum that the human eye cannot detect.

French authorities have assured SPOT users that they can count on continuous coverage from the current satellite and its successors. Mr. Fleutiaux said a second satellite would be launched into orbit before the end of 1989 to take over from SPOT-1, which is thought to be nearing the end of its life.

Japan plans to launch a second earth observation satellite, MOS-1B, in 1990. However, the future of the U.S. Landsat system is uncertain. The U.S. government recently saved the two operational satellites in the program, Landsat 4 and 5, from being turned off at the end of this month. The Bush administration promised to provide emergency funding until a review of America's remote sensing policy is completed.

Christian Pellumail, counselor for scientific and technical cooperation at the French embassy in Bangkok, said the SPOT system would be used to monitor the rate of tropical forest destruction in Thailand, Indonesia, Malaysia, Brunei and the Philippines over the next three years under a program that would get 70 percent of its funding from the French government.

IN BRIEF

Heart Drug: Costlier but No Better

NEW YORK (Reuters) — A widely accepted blood clot-dissolving drug is as effective in treating heart-attack patients as a popular new agent that is far more expensive, according to a study published in the New England Journal of Medicine.

The study of 270 patients in New Zealand compared the use of streptokinase and the newer tissue plasminogen activator in people who had had their first heart attack. A single dose of TPA costs more than \$2,000, nearly 20 times as much as treatment with streptokinase.

In the study, half the patients received streptokinase and half took TPA less than three hours after the onset of chest pain. Three weeks after treatment, the study found no difference between the patients in left ventricular function, a key measure of the heart's pumping ability.

Nine months after therapy, no significant difference in survival between the groups was observed, the study said. The authors said they could not determine whether the drugs had a similar effect on the death rate of patients.

Drug Use May Stunt a Baby's Growth

BOSTON (AP) — Women who smoke marijuana during pregnancy may stunt the growth of their fetuses, producing babies who are smaller than normal, a study shows.

The Boston University School of Medicine study also confirmed earlier reports showing that cocaine use produces unusually small babies.

Another study, conducted by the Northwestern University Medical School, has found that ending cocaine use during the first three months of pregnancy can reduce odds that the baby will suffer physical damage, but does not appear to reduce the risk of neurological problems.

Gallstone-Smashers Found Painful

BOSTON (Reuters) — A West German physician has discovered for himself that the shock-wave machines designed to break up gallstones and kidney stones are not as painless as some researchers assert.

Dr. Martin Staritz of the University of Mainz subjected himself to 40 shock waves from each of three machines used to break up stones, and found that all caused "considerable discomfort and abdominal pain."

The pain sensations were "too intense to be tolerated for a full session of shock-wave therapy" without anesthesia, he concluded in *The New England Journal of Medicine*.

German Measles Reach Low in U.S.

ATLANTA (AP) — Reported cases of rubella, or German measles, have declined 99 percent in the United States in the 20 years since a vaccine was licensed, but U.S. health officials say many people who still get the disease are women of childbearing age.

Of the cases reported from 1965 to 1987, 58.2 percent occurred in people 15 and over, the U.S. Centers for Disease Control said.

Rubella is most dangerous when it attacks pregnant women, said Dr. Paul A. Stehr-Green, a CDC epidemiologist, because it can cause serious birth defects or fetal deaths.

Early Signs of Man in America

NEW YORK (NYT) — A discovery of broken stone tools, charcoal and bone bones in Oklahoma may be evidence of the earliest known presence of humans in North America, archaeologists report.

Analysis of the charcoal and some snail shells in the same sediments has yielded dates going back 26,000 to 40,000 years.

Prior to the discovery, the oldest evidence of human occupation accepted by archaeologists comes from the Clovis spear points, which have been found throughout North America and dated from 11,000 to 13,500 years ago.



As her mother feigns a hand injury, a 2-year-old holds her hand in the same way.

Roots of Human Empathy Traced in Studies to Infants

By Daniel Goleman

New York Times Service

SEEING another child fall and hurt himself, Hope, who is 9 months old, stared, with tears welling up in her eyes, and crawled to her mother to be comforted — as though she had been hurt, not her friend.

When 15-month-old Michael saw his friend Paul crying, Michael fetched his own teddy bear and offered it to Paul; when that failed to stop Paul's tears, Michael brought Paul's security blanket from another room.

Such small acts of sympathy and caring, observed in scientific studies, are leading researchers to trace the roots of empathy — the ability to share another's emotions — to infancy, contradicting a longstanding assumption that infants and toddlers were incapable of these feelings.

In some of the most recent and surprising findings, researchers have identified individual neurons in primates that respond primarily to specific emotional expressions — a response that could be a neural basis for empathy.

These findings are opening a new research area in which scientists are searching for the specific brain circuitry that underlies the empathic impulse.

The scientific interest is spurred, too, by the critical role of empathy in many facets of life, from management to friendship, parenting, compassion and moral awareness.

A deficiency in empathy also marks disorders like autism and chronic schizophrenia, "where the im-

pairment of skills like empathy is a major deficit," said Dr. Leslie Brothers, a psychiatrist at the California Institute of Technology, who is conducting brain studies on empathy.

Among the strongest spurs for research on the psychology of empathy have been experiments showing that newborn babies will cry in response to the cries of another infant.

In the studies, newborn babies cried more loudly to the sounds of other babies crying than they did to a computer simulation of infants' cries and to other sounds that were equally loud and startling.

"Virtually from the day they are born, there is something particularly disturbing to infants about the sound of another infant's cry," said Martin Hoffman, a psychologist at New York University. "The innate predisposition to cry to that sound seems to be the earliest precursor of empathy."

Researchers cannot know for sure, of course, that the newborn's cries reflect empathy rather than, say, a reflexive tendency to respond upon hearing's another cry of alarm.

Still the responses of infants like Hope clearly go far beyond mere reflex, scientists say.

These and other findings on infants and toddlers contradict an influential view offered several decades ago by Jean Piaget, the Swiss developmental psychologist, who contended that children could not feel empathy until they had achieved cognitive abilities that allowed them to see things from another person's perspective. These abilities, he believed, developed around age 7 or 8.

'Old-Fashioned' Microbes in Food: Greater Threat Than Pesticides?

By William K. Stevens

New York Times Service

PEOPLE who wonder about the safety of the food they eat are probably worried about the wrong thing, many U.S. authorities now say.

The most urgent threat, these experts believe, is not from pesticides and food additives, but from old-fashioned, natural microbes in poultry, eggs and meat.

"We are seeing a marked increase in microbial contamination and a constantly diminishing contamination by pesticides in our food supply," said Dr. Frank E. Young, the U.S. commissioner of food and drugs. "The two are going in different directions."

The result, he said, has been an "explosion" of diseases caused by food-borne microorganisms, many of which can be killed by proper cooking.

At the same time, he said, a fear of chemicals has obscured "the low and decreasing risks associated with both natural and man-made pesticides."

While not minimizing the problem of microbial infection, some environmentalists contend that the risks of chemical contamination remain serious and that it is too early to assess the chronic effects of pesticides in the food supply.

Other experts, many of whom agree that such risks have not been entirely eliminated, nevertheless believe that virtually all food in the United States overwhelmingly comes to the kitchen free of chemical health hazards.

In the fiscal year 1987, for instance, the U.S. Food and Drug Administration found that only 1 percent of the raw agricultural products it routinely sampled for pesticides contained residues that exceeded minimum legal tolerances set by the Environmental Protection Agency.

As for chemical additives, such as colors, flavors and preservatives, the National Research Council this month reported that exposure to such chemicals individually, in the minute quantities found in the average diet, "is unlikely to contribute to the overall cancer risk to humans in the United States."

While the council noted that the risk from simultaneous exposure to

several such chemicals could not be measured, it said "the facts suggest that our society as a whole is not facing a health crisis posed by environmental agents."

The council's conclusion was largely based on the fact that the average life span in Western countries is steadily increasing, and because cancer mortality rates — except for smoking-related cancers — have held steady or are decreasing.

The National Resources Defense Council, an environmental group, is less sanguine.

For the most part, "the jury is still out" on the chronic effects of pesticides and other chemical contaminants, said Laurie Mori, senior scientist for the group. "When the data starts to come in, as it will over the next 10 years, we may find that chemicals that have been used on food for 20 or 30 years cause cancer, birth defects or nervous-system disorders."

Overall, the United States has "the cleanest, safest food supply in the world," said Carol Tucker Foreman, who oversaw the inspection system for meat and poultry as an assistant secretary of agriculture from 1977 to 1981.

"But it is a very long way from being as clean and safe as it ought to be," said Ms. Foreman, now a consultant in Washington.

Food safety "is a growing problem that requires prompt and complete attention by the federal government," said Ellen Haas, executive director of Public Voice for Food and Health Policy, a Washington-based consumer-advocacy and research group.

But it is not a cause for panic, she said, adding, "Consumers should be alerted, not alarmed."

Poultry and Cheese
Gastrointestinal illness caused by microorganisms in food affects 35 million Americans a year, the FDA said.

The illnesses vary in severity, but the complications can sometimes be fatal, especially to infants, the elderly and those with weakened immune systems.

A wide variety of bacteria, viruses and parasites are involved, but the spotlight has focused mainly on two bacteria, salmonella and campylobacter.

Roughly one-third of all raw poultry sold in the United States is

contaminated by one or the other, or both, according to the Department of Agriculture.

Epidemiologists at the Federal Centers for Disease Control believe that roughly 2.5 million salmonella cases a year are food-borne, that most of these can be traced to poultry, meat and eggs and that both the incidence and the severity of such cases appears to be increasing.

In a 1987 study on poultry, the National Research Council found conclusive evidence that microorganisms harmful to humans are present on poultry when it is sold.

The Research Council found that contamination can take place at many points in the chain of food processing and sales.

It also found that the federal inspection system, relying as it does on visual inspection, was not intended to detect harmful microbes, which are invisible to the naked eye.

Dr. Ronald Procha, the associate administrator of the Food Safety and Inspection Service in the Department of Agriculture, which is responsible for inspecting all meat and poultry in the country, said that, although microbial contamination must be reduced, it is unlikely to be eliminated entirely.

Seafood

Ms. Haas's consumer-advocacy group has called for more rigorous food inspection by the United States' most pressing food-safety problem.

She noted that fish and shellfish come from uncontrolled environments, where both chemical pollution and natural pathogens abound, and that there is no mandatory federal inspection of all seafood as there is for meat and poultry.

The Centers for Disease Control says that 20 to 25 percent of food-borne illnesses are linked to seafood. But in contrast, a 1988 study by the General Accounting Office said that seafood-related infections accounted for only 5 percent of all reported cases of food-borne illnesses.

The National Fisheries Institute, the seafood industry's trade group, contends that seafood is overwhelmingly safe. But in testimony before the Research Council in January, its executive vice president, Lee J. Wedding, supported the need for a comprehensive regulatory system.

INTERNATIONAL POSITIONS

HEAD OF ASIA AND PACIFIC REGION

Amnesty International (AI) needs a Head of the Asia and Pacific region of the Research Department based in London. The work of the department includes investigating and documenting human rights violations in the region and preparing initiatives to be taken by Amnesty International in relation to prisoners of conscience, trial procedures, the treatment of prisoners and the death penalty.

The Head of Region occupies a middle management position within the International Secretariat of AI. He/she supervises some 24 staff on strategy and techniques for action and research; approves texts and actions prepared by the research staff; advises on policy matters; and has immediate responsibility for various administrative, budgetary and personnel matters.

Candidates must have sound political judgement and extensive knowledge of the Asia and Pacific region, with a specialist knowledge of one sub-region. Experience or demonstrable ability in supervising specialist staff is necessary, as is the ability to communicate well in English both orally and in writing, and to represent AI externally. Knowledge of an Asian language and/or another European language would be an asset.

SALARY: £16,187 per annum.

CLOSING DATE FOR RECEIPT OF COMPLETED APPLICATION FORMS 2 JUNE 1989.

For further information and an application form, please contact:

Personnel Office
AMNESTY International
1 Euston Street
London WC1X 8DJ
Tel: (01) 837-8805.

amnesty
International

CONTROLEUR DE GESTION U.S.A.

Nous sommes un groupe international (CA 10 milliards de F) et nos activités à l'étranger connaissent une croissance rapide. HEC, ESSEC, MBA... une expérience probante du contrôle de gestion aux Etats Unis pendant quelques années vous a permis d'acquérir une connaissance parfaite des systèmes de gestion anglo-saxons. La pratique de l'américain vous est familière. Nous souhaitons vous confier la mise en place d'un contrôle de gestion opérationnel au sein de notre filiale américaine : entreprise industrielle leader dans son secteur et en fort développement. Ce poste offre en fonction de votre réussite, la possibilité d'accéder rapidement à de plus larges responsabilités dans un environnement évolutif et motivant. Merci d'écrire sous la réf. 5329/IH à CURRICULUM 6, passage Lathuile, 75018 PARIS, qui transmettra confidentiellement.

EXECUTIVES AVAILABLE

REGIONAL MANAGER

SEES POSITION

A Sales/Marketing/Engineering specialist with experience in the oil & gas industries. Well traveled in Asia, experienced negotiator at all levels of management. Expertise lies specifically in the quantitative & qualitative analysis of fluid streams. A proven track record of increasing new product and sales growth from solid design through development to final production orders. Please reply to: Attn. JAO, LNT, Box 1464, Robinson Road, Singapore 9029.

Technical Editor

An English language journal for the international plastics industry has a vacancy for an editor. He/she will cover industry developments in machinery, materials, and process technology. This is an exciting opportunity to join a well-established and respected publication serving a growth industry. Applicants should have experience in writing for technical, trade or industrial publications and should be prepared to travel throughout Europe. English mother tongue is essential. Knowledge of German and French desirable. Working location London or Continental Europe.

Apply to: Mrs. R. Jaun
McGraw-Hill Publications Overseas Corp.
Ave. d'Ouchy, 14, 1008 Lausanne, Switzerland

DIRECTOR, INVESTMENT MARKETING

Represent the global portfolio management services of a major financial organization

One of the United States' premier financial groups is currently undertaking a major expansion of its portfolio management client base. To help cultivate new markets and develop an efficient support organization, we now seek a knowledgeable professional with a strong marketing background.

Headquartered in Luxembourg and traveling extensively throughout the continent, the Director will market our portfolio management services to both institutional and individual investors. The Director will also establish and staff a comprehensive support network.

Qualified candidates for this unique opportunity should have extensive experience and a proven record of success in the marketing of financial services. The willingness to travel extensively is essential. While the working language required for this position is English, fluency in French, German and/or Italian will constitute a distinct advantage.

As an international financial leader, we provide a highly competitive compensation package that is incentive-oriented. For consideration, send your resume with salary requirements, in strict confidence, to: Box MA272 360 Lexington Ave., 12th Floor, New York, NY 10017

Equal Opportunity Employer M/F

INTERPRETERS

The Inter-American Development Bank, an international financial organization headquartered in Washington, D.C., is accepting applications for two interpreters with the following language combination: active English and Spanish, and passive French and Portuguese. The basic purpose of these positions is to provide interpretation services at Bank technical and international meetings and conferences, as may be assigned. The primary function is to interpret simultaneously from English, Spanish, French and Portuguese into Spanish and English, on a reciprocal basis. A minimum amount of consecutive interpreting into Spanish and English may also be required. Responsibilities also include the study of work-related documents, current newspaper and publications.

Qualifications:
— Applicants must have a minimum of eight years of recent experience as conference interpreters, of which four years must have been with international organizations. Applicants are requested to indicate the types of technical interpreting for each organization, especially in legal and economic areas, as well as any overseas experience and foreign travel.

— Candidates should have an internationally recognized Interpreter Certificate (may be substituted with 4 additional years of the above mentioned experience). University degree in fields related to position is desirable.

Note: Qualified candidates will be required to take an examination. The Bank offers a competitive salary, with an excellent benefits package, including relocation costs. If you are interested, please send a detailed curriculum vitae to the address below. Please include salary requirements.

Employment Section/MCP
Inter-American Development Bank
Washington, D.C. 20577

YOU SAW THIS AD.

So did nearly half a million well-educated, influential and successful readers.

Shouldn't you too place your recruitment ads in the INTERNATIONAL HERALD TRIBUNE?

COUNTERFEIT MONEY DETECTORS

Save money and beat counterfeit racketeers. This unique modern high-tech equipment has been designed to detect counterfeits within 5 seconds. They are ideal for hotels, restaurants, chain stores, fashion stores, saloons, travel agencies etc. Price: £19.99 + £3 carriage (within U.K.) and £5 postage for European countries. 14 days full money back guarantee if you not satisfied. Huge discounts available for bulk purchases.

Send crossed cheques/postal/money orders to:

A.T. BUYLINES

34 Beaumont Court, Upper Clapton Rd., London E5 8BG.
Phone: 01-806 1981 (6 lines). Fax: 01-806 2215. Telex: 929221 maxent g.
Phone our hot line now and reserve your orders. Allow 28 days for delivery.

	Vol.	High	Low	Last	C
DWC	11300	13 1/4	13 1/4	13 1/4	+
TruAir	8800	12 3/4	12 3/4	12 3/4	+
Int'l Fish	5174	12 1/4	11 3/4	12 1/4	+
Int'l Bkt	2099	5 1/2	5 1/4	5 1/2	+
ComGr	2100	1 1/4	1 1/4	1 1/4	+
Calif Air	2100	8 1/4	8 1/4	8 1/4	+
EchoV	2099	1 1/4	1 1/4	1 1/4	+
Wang	1993	5 1/4	5 1/4	5 1/4	+
ICH	1784	4 1/4	4 1/4	4 1/4	+
Wolfrt	1642	1 1/4	1 1/4	1 1/4	+
TelCo	1411	35 1/4	35 1/4	35 1/4	+
WtGrp	1410	11 1/2	11 1/2	11 1/2	+

High	Low	Close	Ch
325.88	324.89	325.58	+

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

United Press International

"Psychology has improved in the market," said Hildegard Zagorski, market analyst with Prudential-Bache Securities Inc., noting the lat-

DWG led the Amex issues, up a fraction following news that the company's board Tuesday rejected the \$22-a-share buyout offer from a group led by the New York investor, Andrew N. Heme.

Line	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
2	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
3	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
4	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
5	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
7	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
8	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
9	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
10	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
11	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
12	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
13	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
14	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
15	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
16	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
17	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63																																					

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------

(Continued on next left-hand page)

THURSDAY, MARCH 30, 1989

Page 11

INTERNATIONAL STOCK MARKETS

It's Springtime in Tokyo, But Will the Rally Wilt?

By PATRICK L. SMITH

International Herald Tribune

TOKYO — The Tokyo Stock Exchange advanced more than 430 points Wednesday to a record close of 32,737.28 on the market's leading index, a second consecutive strong advance after a month of sluggish trading. Trade had been subdued by concerns about domestic political developments and rising interest rates.

Wednesday's gain of 430.92 points, after an increase of 793.96 on Tuesday, pushed the Nikkei average of 225 stocks beyond its previous record, set Feb. 23, by several hundred points.

Trading has been moderately heavy in each of the past two sessions. On Wednesday, volume was 1.3 billion shares, above the market's average but far from its record.

Analysts attributed the market's awakening chiefly to technical factors related to new tax provisions covering individual trading accounts and the beginning of the next fiscal year on April 1.

The two-day rally has centered on some blue-chip exporters, construction stocks and domestically oriented industrial shares. The surge of the Tokyo market contributed to Wall Street's gains on Tuesday, as many Japanese stocks traded as American Depository Receipts rose strongly.

But analysts were divided over the Tokyo rally's staying power, and indeed, comments Wednesday by the governor of the Bank of Japan injected a further note of caution.

The central bank chief, Satoshi Sumita, said that he expected Japanese stock prices to better reflect economic realities, Reuters reported, and that he hoped soaring stock prices would not lead to a buildup in inflationary pressures.

Some brokers and investors maintained Wednesday that worries about inflation in coming months had encouraged market participants to reap what profits they could now. But other analysts said the underlying market justified the view that the rally of investor interest could extend into the medium term.

"The economy is strong, people are a little more sanguine about oil prices and the weaker yen is no bad thing for the exporters," said Jeff Max Uscher, chief of research at Smith New Court PLC in Tokyo. "As for interest rates, they were rising a month ago but now they're stable."

BUYING appeared to be concentrated among Japanese institutional investors and individual traders. Foreigners and Japanese investment trusts, which manage broker-sponsored funds aimed chiefly at individuals, were net sellers in the past two sessions.

This pattern in part reflected the package of tax reforms to take effect April 1. Under the new law, investors can choose to have a 1 percent tax withheld on each transaction or report all gains and losses at year-end and pay taxes on a net basis. Previously, any investor exceeding 50 transactions or trading more than 200,000 shares yearly paid tax on the earnings as normal income.

The provisions also include a withholding tax of 20 percent to be imposed on the profits from all trades done on margin.

The effective start of the fiscal year Tuesday brought brokers heavily into the market, analysts said. They were followed Wednesday by domestic institutions managing corporate funds.

Analysts said Wednesday's market focused on the construction activity required to build the Japan of the coming century. Hitachi Plant Engineering & Construction Co. rose 140 points, to 1,150, and Toshihisa Construction 180 points, to 1,588.

Nippon Telephone & Telegraph Corp., some of whose executives have been linked to the Recruit stock scandal, continued to decline. NTT lost 490 Wednesday to a record low of 1.51 million.

Blue-chip exporters posted the largest gains Tuesday. Sony Corp. gained 320 points, to 6,950, and TDK Corp. 220, to 4,160. But both gave back a large portion of those gains Wednesday.

Analysts attribute the awakening mainly to technical factors.

Taiwan's Currency Reforms Help It Join the World, at a Price

By Coleen Geraghty

Special to the Herald Tribune

TAIPEI — Currency reforms due to take effect in Taiwan on Monday are the clearest sign yet of the central bank's intention to tighten money supply, internationalize the economy and reduce the island's yawning trade surplus with the United States, according to bankers and economists.

But by relaxing foreign-exchange controls, the government may threaten the livelihood of the thousands of family-owned companies that have helped build Taiwan's economy into one of Asia's most prosperous.

Liberalization measures announced March 27 will abolish the daily fluctua-

tion limits that restrict the New Taiwan dollar to a narrow trading range. Under the new system, an opening rate for the currency will be determined by nine commercial banks, rather than by the previous day's weighted average rate. The nine include five government-owned banks.

Economists said the immediate result of relaxing controls will be to minimize the central bank's role in the foreign-exchange market.

"This is good," said Liang Kuo-shu, chairman of the government-owned Chang Hwa Commercial Bank, "because heavy intervention, besides being costly, caused the money supply to increase too rapidly."

Under pressure from the United States

to reduce its huge trade surplus, the government has forced up the value of the Taiwan dollar by 46 percent since January 1986. Economists said the central bank issued \$5 billion in short-term paper over the past two months alone to finance its intervention policy and soak up excess liquidity.

Although the appreciation strategy did cut the trade surplus from \$18.65 billion in 1987 to \$10.94 billion last year, it simultaneously attracted so-called hot money from overseas speculators, which swelled Taiwan's money supply and its already enormous foreign-exchange reserves. Economists attribute up to one-third of Taiwan's \$76 billion reserves to these speculative funds.

Mr. Liang said the decision to float the Taiwan dollar would "end the general expectation of appreciation" and eventually allow the central bank to remove all restrictions on inward remittance.

In 1987, the government lifted many longstanding barriers to outward investment, but inward remittance is still tightly regulated. For example, foreigners are barred from investing in Taiwan's stock market except through a handful of mutual funds.

Monday's announcement, an important step in internationalizing Taiwan's backward financial system, took the financial community by surprise. Another period of currency appreciation had been expected in the wake of unannounced

talks between American and Taiwanese officials last week, and the local unit rose Friday to a record 3.69 cents to the dollar.

Although the central bank governor, Chang Chi-cheng, denied that the currency reforms were an outcome of the bilateral talks, analysts said they were clearly designed to appease the U.S. government.

"This is going to get the U.S. off their backs," observed John Nelson, head of research for Jardine Fleming in Taipei.

Vincent Siew, vice chairman of the Council for Economic Planning and Development, also viewed the reforms as a

See TAIWAN, Page 17

U.S. Sets Bailout Of MCorp

20 Subsidiaries Seized by FDIC

The Associated Press

WASHINGTON — Federal regulators on Wednesday seized control of most of MCorp, an \$18 billion, Dallas-based holding company, pumping in \$300 million in what will likely become the third-largest commercial-bank rescue in the United States.

The action put all but five MCorp subsidiary banks under government ownership. Regulators transferred \$11.6 billion in deposits of the failed banks to a new, government-owned institution, Depository Insurance Bank of Dallas.

The Federal Deposit Insurance Corp. injected \$300 million into the bridge bank from its reserves as part of the transaction.

L. William Seidman, chairman of the FDIC, which insures commercial-bank deposits up to \$100,000, said the agency will seek buyers for the new institution.

Mr. Seidman declined to estimate how much government aid will ultimately be required, saying he did not want to reveal the figure to potential bidders.

Private analysts have said they expect the MCorp failure to cost the insurance corporation up to \$2 billion.

That would make the transaction the third most costly commercial-bank rescue, after Continental Illinois of Chicago in 1984 and First Republic Bank of Dallas in 1988, which required initial government pledges of \$4.5 billion and \$4 billion, respectively. Both, like MCorp, were holding companies.

Earlier this year, when the FDIC was trying to sell MCorp in its entirety, the agency had set an April 3 deadline for offers, but Mr. Seidman said that may be extended.

"We are going to proceed with the sale as promptly as possible," he said.

Mr. Seidman said the failed banks opened for business Wednesday and "as far as the customers are concerned it will be business as usual."

MCorp, which has 86 offices, reported a loss of \$903 million from its banking operations last year. It is the last of the large Texas banks needing to be recapitalized, either through federal rescue or private merger.

Robert Clarke, comptroller of the currency and the chief regulator of nationally chartered banks, said the failures were triggered by demands beginning Monday on the lead bank in Dallas, both from depositors and from the other banks in the holding company.

On Tuesday, "it became clear as the day wore on that the bank was not going to be able to meet the demands of depositors," Mr. Clarke said.

Five of the banks were insolvent standing on their own and the remaining 15 failed after the Dallas bank could not meet their demands for deposits. The demands of all outside customers were met, he said.

Federal action was complicated by the fact that regulators legally could not take control of the five MCorp subsidiary banks that remain private. A legal battle is developing between private creditors and the insurance corporation over assets held by the holding company.

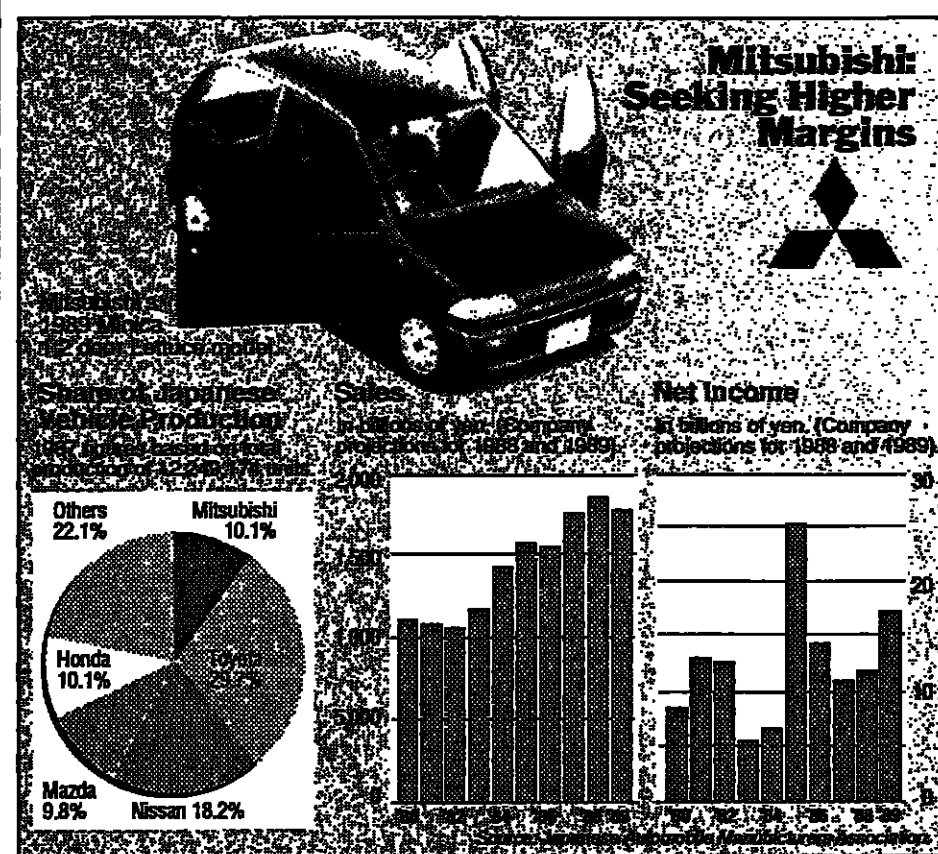
Regulators claim that holding-company assets should be used to defer federal costs in rescuing the insolvent subsidiary banks.

Mr. Seidman declined to say how large the claim against the holding company is, except that it is "substantial." The insurance fund last year had been trying to force the holding company to inject \$400 million into its banks.

For future cases, the FDIC is seeking legislation from Congress that would permit it to force solvent subsidiary banks to back up sister institutions that fail.

The FDIC's move came a week after creditors of MCorp forced it to seek protection under Chapter 11 of the Federal Bankruptcy Code. The holding company had halted payments on \$466 million in debt in October, but had asked creditors to refrain from pressing their claims while it attempted to work out an assistance agreement with the insurance corporation.

Reportedly among those interested in buying MCorp is A. Robert Abbott, chairman of Houston's First City Bancorporation, which was itself rescued by the insurance corporation in 1987 with \$1 billion.



Mitsubishi Steps Up the Pace

With New Funds, Carmaker Aims to Shed Stodgy Past

By Patrick L. Smith

International Herald Tribune

TOKYO — When Mitsubishi Motors Corp. was listed on the Tokyo Stock Exchange in December, there was no mistaking the enthusiasm among local and foreign investors.

The stock climbed 60 percent above its 850 yen (\$6.38) offer price on the first day of trading, netting Japan's fourth-largest car manufacturer a very fast \$470 million on the 60 billion yen offering.

But MMC's public debut was more than just another Japanese company taking advantage of a market that sometimes pauses but never seems to quit. More than anything else, the offering signaled the company's desire to break decisively free of its image as the stodgy also-ran among Japanese automakers.

Long constrained by its ties to Mitsubishi Heavy Industries Ltd., MMC has never fulfilled its potential in passenger-car markets at home or abroad, analysts say.

Capital resources have been too limited, the product mix too broad and executives from its giant parent have often had a better feel for ships, aircraft and power plants than shifting consumer tastes in the lurchy-burly auto market.

True, MMC's position as a producer of commercial vehicles has expanded without a hitch. In the year to last March 31, MMC sold 441,000 trucks,

buses and specialty vehicles in Japan, up from 275,000 at the turn of the decade. It now accounts for 15 percent of the domestic market and 13 percent of the industry's exports.

The company also enjoys a strong position in the domestic market for minivans, vehicles with engines of less than 550 cubic centimeters that are not sold outside Japan. In the 1988 calendar year, MMC took 16 percent of the market, with unit sales of 272,000.

Several months after its listing, however, the questions still linger: How will MMC utilize its new financial freedom? More specifically, can it wrest the No. 3 spot among automakers from Honda Motor Corp. and begin competing more directly with Toyota Motor Corp. and Nissan Motor Co., the giants of the Japanese auto industry?

"Obviously our listing is important, but the new strategy is broader than that," said Komachi Sugiyama, MMC's managing director. "We're responding very successfully to a marketplace that is changing rapidly. Why not compete with No. 1 or 2? We're ambitious."

MMC has been neck and neck with Honda for years in terms of sales volume, if not innovative abilities. But analysts see a touch of bravado in the notion that MMC could successfully compete with

See MITSUBISHI, Page 13

U.S. Indicators Drop, Signaling Slower Growth

The Associated Press

WASHINGTON — The U.S. government's chief economic forecasting gauge dropped 0.3 percent in February after posting sharp gains during the previous two months, the Commerce Department said Wednesday.

February's decline in the Index of Leading Economic Indicators was the first drop since a similar dip in September and had not been exceeded since a 0.8 percent drop in July.

The drop reinforced expectations that the economy will slow this year.

The leading index, designed to forecast economic activity six to nine months in the future, had advanced 0.6 percent in December and 0.7 percent in January after meandering during much of 1988.

With labor markets tight and factories operating close to peak capacity, analysts say some slowdown is needed to keep the economy from overheating and igniting a renewed burst of inflation.

The U.S. Federal Reserve Board has been pushing interest rates higher over the past year in order to relieve inflationary pressures, and it intensified those efforts after sharp price increases were recorded in January and February.

Analysts said February's decline was consistent with other recent signals that the economy may be losing steam.

"This should reduce concern about the economy overheating, while the decline is not sharp enough to give any signal of a recession," said Jerry Jasnowski, chief economist for the National Association of Manufacturers.

Others, however, are concerned that the economy will slow too much and that the Fed's year-long campaign to dampen inflationary pressures will stifle growth altogether.

"The monetary tightening that we have experienced and some monetary tightening that is probably still to come are going to cause a downturn," said Bruce Steinberg, an economist at Merrill Lynch & Co. in New York.

Mr. Steinberg said Fed policymakers are "doing what they have to do" to cure inflation, with a

House Sales Plunge in U.S.

The Associated Press

WASHINGTON — Sales of new single-family homes in the United States plunged 9.4 percent in February to the lowest level in more than a year, the government reported Wednesday.

The Commerce Department said sales retreated to a seasonally adjusted annual rate of 626,000 in February, following a revised 2.5 percent increase in January and a 3.7 percent gain in December.

It was the biggest fall in sales since a 9.5 percent drop last November and left them at the lowest rate since the 576,000 level of January 1988. The results paralleled an earlier government report that showed a sharp drop in housing construction in February, with the decline blamed on the return of colder weather last month and the bite of higher mortgage interest rates.

recession likely to be the unintended side effect.

In February, eight of the 11 indicators that make up the leading index declined, with the biggest negative factor being a drop in manufacturers' orders for new plant and equipment.

The other negative factors were a drop in building permits; a decline in manufacturers' orders for consumer goods; a contraction in the money supply; a dip in an index of consumer expectations; an increase in initial claims for unemployment benefits; faster vendor deliveries to companies, signaling slower demand; and a decline in manufacturers' unfilled orders.

Two indicators made positive contributions: An increase in raw-materials prices, indicating stronger demand; and rising stock prices.

One indicator, the length of the average work week, was unchanged.

Currency Rates

Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentina	1,316	France	6.55	Italy	1,366	Yen	163.60
Australia	1,512	Germany	2.48	Japan	163.60		
Belgium	36.36	Greece	200.48	South Korea	1,000.00		
Canada	1.31	Hong Kong	7.80	Taiwan	200.48		
Denmark	6.46	India	166.37	Thailand	50.93		
Finland	5.94	Indonesia	1,544.00	Turkey	1,800.00		
France	6.55	Israel	2.00	U.S. Dollar	1.00		
Germany	2.48	Italy	1,366				
Greece	200.48	Japan	163.60				
Hong Kong	7.80	South Korea	1,000.00				
India	166.37	Taiwan	200.48				
Indonesia	1,544.00	Thailand	50.93				
Israel	2.00	Turkey	1,800.00				
Italy	1,366	U.S. Dollar	1.00				
Japan	163.60						
South Korea	1,000.00						
Taiwan	200.48						
Thailand	50.93						
Turkey	1,800.00						
U.S. Dollar	1.00						

Chang in London, Tokyo and Zurich, others in other centers. New York closing rates.
 * Commercial banks.
 ** To buy one dollar.
 *** Units of 100 N.Y.D. not quoted.
 **** Not available.

Interest Rates

Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentina	1,316	France	6.55	Italy	1,366	Yen	163.60
Australia	1,512	Germany	2.48	Japan	163.60		
Belgium	36.36	Greece	200.48	South Korea	1,000.00		
Canada	1.31	Hong Kong	7.80	Taiwan	200.48		
Denmark	6.46	India	166.37	Thailand	50.93		
Finland	5.94	Indonesia	1,544.00	Turkey	1,800.00		
France	6.55	Israel	2.00	U.S. Dollar	1.00		
Germany	2.48	Italy	1,366				
Greece	200.48	Japan	163.60				
Hong Kong	7.80	South Korea	1,000.00				
India	166.37	Taiwan	200.48				
Indonesia	1,544.00	Thailand	50.93				
Israel	2.00	Turkey	1,800.00				
Italy	1,366	U.S. Dollar	1.00				
Japan	163.60						
South Korea	1,000.00						
Taiwan	200.48						
Thailand	50.93						
Turkey	1,800.00						
U.S. Dollar	1.00						

Chang in London, Tokyo and Zurich, others in other centers. New York closing rates.
 * Commercial banks.
 ** To buy one dollar.
 *** Units of 100 N.Y.D. not quoted.
 **** Not available.

Key Money Rates Mar. 29

Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentina	1,316	France	6.55	Italy	1,366	Yen	163.60
Australia	1,512	Germany	2.48	Japan	163.60		
Belgium	36.36	Greece	200.48	South Korea	1,000.00		
Canada	1.31	Hong Kong	7.80	Taiwan	200.48		
Denmark	6.46	India	166.37	Thailand	50.93		
Finland	5.94	Indonesia	1,544.00	Turkey	1,800.00		
France	6.55	Israel	2.00	U.S. Dollar	1.00		
Germany	2.48	Italy	1,366				
Greece	200.48	Japan	163.60				
Hong Kong	7.80	South Korea	1,000.00				
India	166.37	Taiwan	200.48				
Indonesia	1,544.00	Thailand	50.93				
Israel	2.00	Turkey	1,800.00				
Italy	1,366	U.S. Dollar	1.00				
Japan	163.60						
South Korea	1,000.00						
Taiwan	200.48						
Thailand	50.93						
Turkey	1,800.00						
U.S. Dollar	1.00						

Chang in London, Tokyo and Zurich, others in other centers. New York closing rates.
 * Commercial banks.
 ** To buy one dollar.
 *** Units of 100 N.Y.D. not quoted.
 **** Not available.

Gold

Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentina	1,316	France	6.55	Italy	1,366	Yen	163.60
Australia	1,512	Germany	2.48	Japan	163.60		
Belgium	36.36	Greece	200.48	South Korea	1,000.00		
Canada	1.31	Hong Kong	7.80	Taiwan	200.48		
Denmark	6.46	India	166.37	Thailand	50.93		
Finland	5.94	Indonesia	1,544.00	Turkey	1,800.00		
France	6.55	Israel	2.00	U.S. Dollar	1.00		
Germany	2.48	Italy	1,366				

Xerox Develops System To Ease Computer Lines

By John Markoff
New York Times Service

PALO ALTO, California — Researchers at Xerox Corp. have developed a system that efficiently utilizes all of a computer network's resources by constantly running an "auction," in which one user's computer bids for time on another's computer.

The research project, called Spawn, is one approach to solving the problem of sharing the vast power of hundreds or even thousands of different types of computers linked together in immense networks. Users who place a high priority on getting quick access to a particular machine — to run a large computational problem, for example — can place a high bid for access to the machine.

If they are willing to spend enough of their "money" in the network auction system, they can even jump to the front of the line. When no one wants access to the computer, a low bid might obtain time on the machine might even be "free."

What distinguishes the Spawn project from other attempts to create distributed computing environments is that it requires no centralized controlling computer but still effectively makes computer time available to any user in a network.

"Spawn has met two of our research goals," said Bernardo Huberman, a Xerox physicist who has guided the development of the project. "It has permitted us to harness the idle time of a computer network and it has provided a work bench for studying complex systems."

Spawn will be necessary, the Xerox researchers assert, because as larger networks are developed, centralized-controller computers will largely be ineffective. Information will be distributed in many computers and it will change too rapidly for any central controller to monitor.

Spawn has several immediate uses. It can automatically obtain idle computer time in a network. For example, if a user wants to start a large computation and still have access to his or her own workstation, the Spawn system would find idle computers in the network, "purchase" computer time and run the program remotely.

Volvo Spins Off Properties Into a Joint Venture

Reuters

STOCKHOLM — AB Volvo, the Swedish automaker, said Wednesday that it was spinning off property holdings valued at 3 billion kronor (\$467 million) into a real-estate company in which it will hold a 25 percent interest.

Partners in the new concern are two insurance companies, SPP/AMF Pension and Wasa Life Insurance, a pension-fund company, AP Fonden, and Swedinvest, an investment company.

Each of those four partners will hold 18.75 percent of the new company. Volvo did not say how much its partners had paid for their stake.

Volvo said the intention was to build up a Swedish company based

largely on real-estate holdings abroad.

The automaker, which also has truck-making and food businesses, said last December that it was considering the sale of some properties to release capital.

Early this month, Volvo reported gross profit for 1988 of 8.24 billion kronor on sales of 96.64 billion kronor. Operating income in the core auto division fell 16 percent.

On Wednesday, the company said, "Our ambition is to quickly build up an international company with total property holdings of at least 10 billion kronor."

Volvo said the new company had been made possible by the abolition of rules at the beginning of

1989 that prevented Swedes from investing in real estate abroad.

Ford's New Incentives
Ford Motor Co. announced a new incentive program Wednesday with interest rates as low as 2.9 percent, 2 percentage points lower than the program it replaces, The Associated Press reported from Detroit.

The last time U.S. automakers' financing companies offered interest rates as low as 2.9 percent was in mid-1987.

Robert Rewey, Ford's vice president for North American sales, said the No. 2 U.S. automaker made the move because car and truck sales

during the first 80 days of the year fell below projections.

Mr. Rewey said Ford had lowered its annual sales prediction for the industry to 15 million cars and trucks from 15.4 million he talked about in early February. Sales during the first 80 days of the year worked out to an annual rate of 14.6 million vehicles, he added.

Mr. Rewey said car buyers had been hesitating because of recent increases in interest rates.

Ford's new incentive program, which ends May 31, offers consumers the option of cash rebates, ranging from \$300 to \$4,000 or financing as low as 2.9 percent for a two-year loan, depending on model.

ABB Has Analysts Guessing Ahead of First Year's Results

Reuters

STOCKHOLM — The European engineering giant ABB Asea Brown Boveri announced its first annual profit figures on Friday and analysts say lack of information from the company has made it difficult to assess progress.

The merger of Sweden's Asea AB and Switzerland's BBC AG Brown Boveri & Cie in 1987 created the world's biggest power equipment supplier, but ABB warned that it would take time for benefits to emerge.

Analysts' estimates of ABB's profit for calendar 1988 differ widely. Three analysts project around \$575 million, after financial items.

"It is very hard to judge just how ABB is

performing as we have no comparisons and ABB hasn't really shown any figures we can analyze," said Jan Dworsky of Barclays de Zoete Wedd, a London-based brokerage house.

"The feeling seems to be we will have to wait for 1989 for the benefits to come through," Mr. Dworsky said.

Andreas Meier, an analyst at Zurich Cantonal Bank, expects ABB to report profit of \$450 million to \$500 million, a figure considerably lower than other estimates.

Nevertheless, Mr. Meier said, "ABB's strategy of trying to be the biggest producer and distributor of electricity seems to be paying off sooner than the company expected."

Mr. Meier said the merger plans appeared to be proceeding well and good progress had been made in reducing costs, although there was potential for further cuts at the Swiss end.

ABB reported a nine-month profit of \$395 million, achieved on sales of \$12.315 billion. The result slightly disappointed analysts, despite recognition that integrating two companies with a worldwide work force of 180,000 would be costly and time-consuming.

"ABB has itself said that people are being too ambitious too soon," said Susan Anthony, an analyst at Robert Fleming Securities.

MITSUBISHI: Carmaker Overhauls Stodgy Image

(Continued from first finance page)
Toyota, which claims 30 percent of the domestic market, or Nissan, with almost 20 percent.

Reflecting a sluggish approach to new models and its lack of drive in selling what it offered, MMC saw car output drop from 660,000 in 1980 to 524,000 three years later. In the year to March 1988, it sold 180,239 full-sized cars in Japan and took 7 percent of the domestic market.

More than this, the need to diversify from traditional markets has become increasingly apparent in recent years. While truck and van sales have boomed on the back of rising construction activity and domestic consumer spending, industry analysts say the market is rapidly approaching saturation point.

And while MMC is firmly committed to its wide range of minicars, margins in that business are thin and getting thinner. Reflecting Japan's new affluence and the appreciation of the yen, the action among automakers, in any case, is at the other end of the market.

"There will always be a market for minicars, but profitability will continue to be relatively poor," said Geoffrey M. Wilkinson, auto analyst at Salomon Brothers Asia Ltd. "On the other hand, MMC may find it hard to break into the luxury segment, which is currently dominated by Toyota and Nissan."

Among the first signs of change at MMC was the appearance two years ago of a new design for its Galant model, a mid-market family car that sells for about 2 million yen. The revamped edition was quickly voted car of the year in Japan and last month was honored "import of the year" in the United States.

It is only now, however, that the company appears fully prepared to get in gear. As Mr. Sugiyama puts it, the revitalization of MMC rests on a strategy that is both hard and soft — its twin pillars being the development of new products and innovative ways to market them.

At home, MMC has used half of its windfall from the stock market to cut debt, a move expected to show results in the final quarter of the fiscal year ending March 31. Analysts expect cost-cutting and

the rationalization of MMC's out-sized debt to raise profit margins almost immediately from an historic 1.2 percent after interest payments to 2.3 percent or more.

Capital investment, after declining slightly in the year to last March 31, is forecast to rise almost 10 percent this year, to 80 billion yen. In part this reflects fresh efforts to recognize its two domestic distribution networks by rational-

izing some dealers, giving others a new look and opening 130 more over the next two years.

On the product side, MMC is moving aggressively to protect itself from new competition in the minicar market by introducing new models that closely track Japan's changing sociology — the increased spending power of unmarried women, for instance, or the trend toward two-car families among young couples.

Its latest offering is the Lettuce, which is sold through dealers and through a new partnership with the Seiyu supermarket chain. Aimed at young mothers, the car's chief innovation is the combination of double doors on the curb side but a single door for child safety on the street side. Price: 600,000 yen.

Minicars will remain the spearhead of MMC's new thrust into the car market, according to Yasataka Suzuki, director of domestic auto sales. At the same time, a revitalized design team is also developing a new midrange model to complement the Galant and is studying a luxury model to compete with recent high-end entries by Toyota and Nissan.

Overseas, MMC is altering its longstanding relationship with Chrysler Corp. to give it a higher

distribution profile and expand sales under the Mitsubishi name. This year, the company will add almost 100 dealers to the 245 it already has.

And through its joint-production facility with Chrysler, Diamond Star Motor Corp. in Bloomington, Indiana, MMC expects U.S. sales to increase from 70,000 units last year to 130,000 in the year beginning April 1 and 240,000 the year after that. Most of that increase will go to the Eclipse, a \$10,000 model introduced in October.

In Europe, MMC is still a question mark. Apart from small truck-assembly plants in Portugal and Turkey, the company's only presence is through a recently concluded cooperation agreement with Daimler Benz AG that allows MMC to market Mercedes-Benz vehicles in Japan.

At present MMC exports 120,000 cars to Europe, about 10 percent of the Japanese industry's slice of the market. Probably by the end of this year, executives say, the company will determine where it wants to manufacture in the European Community and how it plans to do so.

"We haven't decided if we want to be there, if we would go it alone or if a partnership would necessarily be with Benz," said Masamasa Ueda, executive vice-president for overseas business. "But Europe will have a lot to do with how fast we grow internationally in coming years."

The new-look MMC is just beginning to emerge on its income statement. In the year to March 31, MMC expects a 10 percent gain in net income, to 12 billion yen, on a 6 percent rise in sales, to 1.36 trillion yen. According to a forecast by Barclay de Zoete Wedd Securities (Japan) Ltd., net profit should increase by 25 percent in each of the next two years.

Even with numbers like these, however, analysts question how quickly MMC will make the shift to a comparatively unfamiliar end of the car market and how well it will compete once it gets there. Whenever it introduces new models at this point, for instance, the effect will be partly blunted by the rash of others already on the market.

Study Fails to Support Genentech Drug

Reuters

NEW YORK — Genentech Inc.'s blood-clot-dissolving drug, TPA, has been found to be no more effective in treating heart-attack patients than a widely accepted drug that is far less expensive, according to a study published on Wednesday.

A study of 270 patients in New Zealand compared the use of streptokinase with Genentech's tissue plasminogen activator in people who had suffered their first heart attack. It is among only a handful of studies to directly compare the two.

The study, published in the New England Journal of Medicine, draws no definite conclusions about survival, pending the release next year of results of a study comparing the drugs in thousands of patients in Italy.

Genentech's fortunes have been closely tied to TPA since the U.S. Food and Drug Administration approved the drug for commercial sale in the United States in November 1987.

Prior to the drug's approval, Genentech shares soared to a record price of \$65.25 on expectations of soaring TPA sales. Since then, the shares have fluctuated widely on shifting assessments of the drug's commercial impact.

Before the release of the study on Wednesday, Genentech shares were unchanged at \$19 a share

on the New York Stock Exchange on light volume of 47,000 shares.

TPA has been controversial because, while it has been proved effective in saving lives, a single dose costs more than \$2,000, nearly 20 times as much as treatment with streptokinase.

Genentech has said TPA's cost is justified because it costs \$200 million to develop. But in an era of medical-cost containment, physicians have been vigorously debating if TPA is superior.

In the new study, half the patients received streptokinase and half received TPA. Patients were treated less than three hours after the onset of chest pain.

Three weeks after treatment, the study found no difference in left ventricular function — a key measure of the heart's pumping ability — among patients in the two treatment groups.

The study also found the artery causing the heart attack remained open to about the same extent in both groups three weeks after treatment.

Nine months after therapy, no significant difference in survival between the groups was observed, the study said. Due to the small number of patients treated, however, the authors said they could not determine whether the drugs had a similar effect on the death rate.

Genentech criticized the study and said it was too small to draw any conclusions.

COLUMBIA SECURITIES N.V.

Amsterdam

Shareholders are invited to attend the Annual General Meeting to be held on Wednesday 12 April 1989 at 10:30 hours at the head office of the Algemene Bank Nederland N.V., Vijzelstraat 32, Amsterdam.

AGENDA

1. Opening
2. Report of the Management for the financial year 1988 and report of the Supervisory Board.
3. Adoption of the Annual Accounts for the financial year 1988.
4. Appropriation of the 1988 result.
5. Appointment of a new member of the Supervisory Board. The Supervisory Board has put forward nominations with regard to the proposed appointment and has deposited these for inspection. Mr. Robert de Laguerie is placed first in these nominations.
6. Any other business.

The respective documents are available at the office of the Company, Noorderstraat 6, Amsterdam.

Holders of bearer shares wishing to attend the General Meeting must deposit their shares ultimately on Wednesday 5th April 1989 before 16:00 p.m. with the Algemene Bank Nederland N.V. or with Banque de Neufilze, Schlumberger, Mallet, in Paris. A deposit certificate will be issued to such shareholders, which, upon surrender, will entitle them to attend the meeting and cast their vote.

Amsterdam, 28th March, 1989.

ABN-de Neufilze International
Investment Advisory Company B.V.
(Managing Director)

Herald Tribune

Published With The New York Times and The Washington Post

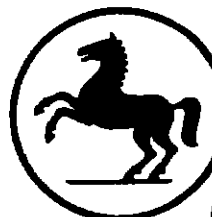
Now Printed in New York For Same Day Service in Key American Cities.

To subscribe call us toll-free in the U.S.:
1-800-882-2884.

(In New York, call: 212-752-3890.)

Or write: International Herald Tribune,
850 Third Avenue, New York, N.Y. 10022.
Or Telex: 427175. Or Fax: 212-755-8785.

"A Top Performance again in 1988."

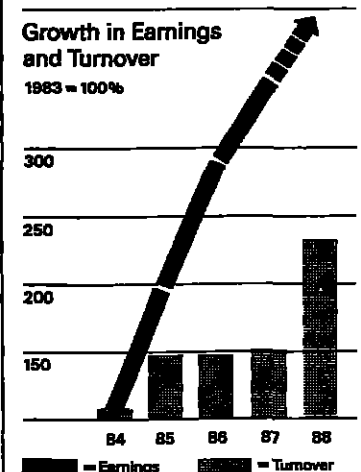


Continental, the world's 4th largest tire manufacturer, again recorded excellent results in 1988. Group sales jumped by 56% to nearly DM 8 billion, reflecting the purchase in late 1987 of General Tire in the U.S. Outside the U.S., unit sales grew in main product groups between 7% and 10%, but keen price competition worldwide held turnover to an increase of 6%.

Earnings rose significantly, thanks to a combination of high growth in volume, cost discipline, and an increase in pro-

ductivity of all Group divisions. Above-average performance was generated by Continental's advanced technology products.

The Group's tire brands Continental, Uniroyal, and Semperit as well as the industrial products division — CONTITECH — contributed equally to the year's good results. This also applied to General Tire in its first year of consolidation in the Continental Group — and after deduction of refinancing costs incurred in 1988 following its acquisition the previous year. Continental's traditionally close cooperation with the automobile industry in the area of product development was again expanded successfully.



products, the Continental Group is firmly committed to expanding its growth and earnings potential in the years to come.

For complete information on Continental, its performance and activities, just contact Continental Aktiengesellschaft, Königsworther Platz 1, P.O. Box 169, D-3000 Hanover 1, West Germany.

Top Performance on Wheels

Continental
Aktiengesellschaft



WHERE CAN YOU PROFIT FROM A



RISE IN MARKET?
STATIONARY MARKET?
FALLING MARKET?

PETLEY & CO LTD

(An Associate Company of Jackson Son & Co (London) Ltd est. 1860)

PROVIDING A SPECIALISED BROKERAGE AND INVESTMENT MANAGEMENT SERVICE IN FUTURES AND OPTIONS.



MEMBERS OF (AFS) THE ASSOCIATION OF FUTURES BROKERS AND DEALERS LIMITED

25 Abchurch Lane, London EC4N 3DF. TEL: 01-445 5011/5018

Fax: 01-445 5745 / 5761 Telex: 515 885 (PETLEY G) Reuters Page: PETL

Futures and options prices can fluctuate widely and in some types of trading this can lead to losses in excess of monies deposited.

Please tell me more about your range of services.

NAME (in full)

Mr/Ms/Ms/Ms

ADDRESS

POSTCODE

TEL (Office)

NEVER SPECULATE WITH FUNDS YOU CANNOT AFFORD TO LOSE

(Home)

INT 5.00

Via Agence France Presse Closing prices in local currencies, March 2.

[illegible]

Card expiry date _____ Signature _____
Card account number _____
Name _____
Address _____ City/Code **30-3-89**
Country _____ Tel./Telex/Fax _____

FRID IMPACT ESCORT and Guide Service, Multilingual, Vac. Open 11am

SHADOWS****
Escort Service, Telephone: Mott 341

FRANKFURT * PRIVATE *
Sophisticated Escort Agency.

ATHENS EXECUTIVE ESCORT AND
Guide Service, 7 days a week, 11am-11pm

Escort & Guide Services *****
*******RIKKI-SWEDISH*******

10-11-68

Wednesday's **AMEX** Closing

Tables include the nationwide prices
as to the closing on Wall Street
and do not reflect late trades elsewhere.
Via The Associated Press

Symbol	Price	Change
AMEX	100.00	+0.00
AMEX 50	100.00	+0.00
AMEX 100	100.00	+0.00
AMEX 200	100.00	+0.00
AMEX 300	100.00	+0.00
AMEX 400	100.00	+0.00
AMEX 500	100.00	+0.00
AMEX 600	100.00	+0.00
AMEX 700	100.00	+0.00
AMEX 800	100.00	+0.00
AMEX 900	100.00	+0.00
AMEX 1000	100.00	+0.00
AMEX 1100	100.00	+0.00
AMEX 1200	100.00	+0.00
AMEX 1300	100.00	+0.00
AMEX 1400	100.00	+0.00
AMEX 1500	100.00	+0.00
AMEX 1600	100.00	+0.00
AMEX 1700	100.00	+0.00
AMEX 1800	100.00	+0.00
AMEX 1900	100.00	+0.00
AMEX 2000	100.00	+0.00
AMEX 2100	100.00	+0.00
AMEX 2200	100.00	+0.00
AMEX 2300	100.00	+0.00
AMEX 2400	100.00	+0.00
AMEX 2500	100.00	+0.00
AMEX 2600	100.00	+0.00
AMEX 2700	100.00	+0.00
AMEX 2800	100.00	+0.00
AMEX 2900	100.00	+0.00
AMEX 3000	100.00	+0.00
AMEX 3100	100.00	+0.00
AMEX 3200	100.00	+0.00
AMEX 3300	100.00	+0.00
AMEX 3400	100.00	+0.00
AMEX 3500	100.00	+0.00
AMEX 3600	100.00	+0.00
AMEX 3700	100.00	+0.00
AMEX 3800	100.00	+0.00
AMEX 3900	100.00	+0.00
AMEX 4000	100.00	+0.00
AMEX 4100	100.00	+0.00
AMEX 4200	100.00	+0.00
AMEX 4300	100.00	+0.00
AMEX 4400	100.00	+0.00
AMEX 4500	100.00	+0.00
AMEX 4600	100.00	+0.00
AMEX 4700	100.00	+0.00
AMEX 4800	100.00	+0.00
AMEX 4900	100.00	+0.00
AMEX 5000	100.00	+0.00

Symbol	Price	Change
AMEX 5100	100.00	+0.00
AMEX 5200	100.00	+0.00
AMEX 5300	100.00	+0.00
AMEX 5400	100.00	+0.00
AMEX 5500	100.00	+0.00
AMEX 5600	100.00	+0.00
AMEX 5700	100.00	+0.00
AMEX 5800	100.00	+0.00
AMEX 5900	100.00	+0.00
AMEX 6000	100.00	+0.00
AMEX 6100	100.00	+0.00
AMEX 6200	100.00	+0.00
AMEX 6300	100.00	+0.00
AMEX 6400	100.00	+0.00
AMEX 6500	100.00	+0.00
AMEX 6600	100.00	+0.00
AMEX 6700	100.00	+0.00
AMEX 6800	100.00	+0.00
AMEX 6900	100.00	+0.00
AMEX 7000	100.00	+0.00
AMEX 7100	100.00	+0.00
AMEX 7200	100.00	+0.00
AMEX 7300	100.00	+0.00
AMEX 7400	100.00	+0.00
AMEX 7500	100.00	+0.00
AMEX 7600	100.00	+0.00
AMEX 7700	100.00	+0.00
AMEX 7800	100.00	+0.00
AMEX 7900	100.00	+0.00
AMEX 8000	100.00	+0.00
AMEX 8100	100.00	+0.00
AMEX 8200	100.00	+0.00
AMEX 8300	100.00	+0.00
AMEX 8400	100.00	+0.00
AMEX 8500	100.00	+0.00
AMEX 8600	100.00	+0.00
AMEX 8700	100.00	+0.00
AMEX 8800	100.00	+0.00
AMEX 8900	100.00	+0.00
AMEX 9000	100.00	+0.00
AMEX 9100	100.00	+0.00
AMEX 9200	100.00	+0.00
AMEX 9300	100.00	+0.00
AMEX 9400	100.00	+0.00
AMEX 9500	100.00	+0.00
AMEX 9600	100.00	+0.00
AMEX 9700	100.00	+0.00
AMEX 9800	100.00	+0.00
AMEX 9900	100.00	+0.00
AMEX 10000	100.00	+0.00

Symbol	Price	Change
AMEX 10100	100.00	+0.00
AMEX 10200	100.00	+0.00
AMEX 10300	100.00	+0.00
AMEX 10400	100.00	+0.00
AMEX 10500	100.00	+0.00
AMEX 10600	100.00	+0.00
AMEX 10700	100.00	+0.00
AMEX 10800	100.00	+0.00
AMEX 10900	100.00	+0.00
AMEX 11000	100.00	+0.00
AMEX 11100	100.00	+0.00
AMEX 11200	100.00	+0.00
AMEX 11300	100.00	+0.00
AMEX 11400	100.00	+0.00
AMEX 11500	100.00	+0.00
AMEX 11600	100.00	+0.00
AMEX 11700	100.00	+0.00
AMEX 11800	100.00	+0.00
AMEX 11900	100.00	+0.00
AMEX 12000	100.00	+0.00
AMEX 12100	100.00	+0.00
AMEX 12200	100.00	+0.00
AMEX 12300	100.00	+0.00
AMEX 12400	100.00	+0.00
AMEX 12500	100.00	+0.00
AMEX 12600	100.00	+0.00
AMEX 12700	100.00	+0.00
AMEX 12800	100.00	+0.00
AMEX 12900	100.00	+0.00
AMEX 13000	100.00	+0.00
AMEX 13100	100.00	+0.00
AMEX 13200	100.00	+0.00
AMEX 13300	100.00	+0.00
AMEX 13400	100.00	+0.00
AMEX 13500	100.00	+0.00
AMEX 13600	100.00	+0.00
AMEX 13700	100.00	+0.00
AMEX 13800	100.00	+0.00
AMEX 13900	100.00	+0.00
AMEX 14000	100.00	+0.00
AMEX 14100	100.00	+0.00
AMEX 14200	100.00	+0.00
AMEX 14300	100.00	+0.00
AMEX 14400	100.00	+0.00
AMEX 14500	100.00	+0.00
AMEX 14600	100.00	+0.00
AMEX 14700	100.00	+0.00
AMEX 14800	100.00	+0.00
AMEX 14900	100.00	+0.00
AMEX 15000	100.00	+0.00

Symbol	Price	Change
AMEX 15100	100.00	+0.00
AMEX 15200	100.00	+0.00
AMEX 15300	100.00	+0.00
AMEX 15400	100.00	+0.00
AMEX 15500	100.00	+0.00
AMEX 15600	100.00	+0.00
AMEX 15700	100.00	+0.00
AMEX 15800	100.00	+0.00
AMEX 15900	100.00	+0.00
AMEX 16000	100.00	+0.00
AMEX 16100	100.00	+0.00
AMEX 16200	100.00	+0.00
AMEX 16300	100.00	+0.00
AMEX 16400	100.00	+0.00
AMEX 16500	100.00	+0.00
AMEX 16600	100.00	+0.00
AMEX 16700	100.00	+0.00
AMEX 16800	100.00	+0.00
AMEX 16900	100.00	+0.00
AMEX 17000	100.00	+0.00
AMEX 17100	100.00	+0.00
AMEX 17200	100.00	+0.00
AMEX 17300	100.00	+0.00
AMEX 17400	100.00	+0.00
AMEX 17500	100.00	+0.00
AMEX 17600	100.00	+0.00
AMEX 17700	100.00	+0.00
AMEX 17800	100.00	+0.00
AMEX 17900	100.00	+0.00
AMEX 18000	100.00	+0.00
AMEX 18100	100.00	+0.00
AMEX 18200	100.00	+0.00
AMEX 18300	100.00	+0.00
AMEX 18400	100.00	+0.00
AMEX 18500	100.00	+0.00
AMEX 18600	100.00	+0.00
AMEX 18700	100.00	+0.00
AMEX 18800	100.00	+0.00
AMEX 18900	100.00	+0.00
AMEX 19000	100.00	+0.00
AMEX 19100	100.00	+0.00
AMEX 19200	100.00	+0.00
AMEX 19300	100.00	+0.00
AMEX 19400	100.00	+0.00
AMEX 19500	100.00	+0.00
AMEX 19600	100.00	+0.00
AMEX 19700	100.00	+0.00
AMEX 19800	100.00	+0.00
AMEX 19900	100.00	+0.00
AMEX 20000	100.00	+0.00

Symbol	Price	Change
AMEX 20100	100.00	+0.00
AMEX 20200	100.00	+0.00
AMEX 20300	100.00	+0.00
AMEX 20400	100.00	+0.00
AMEX 20500	100.00	+0.00
AMEX 20600	100.00	+0.00
AMEX 20700	100.00	+0.00
AMEX 20800	100.00	+0.00
AMEX 20900	100.00	+0.00
AMEX 21000	100.00	+0.00
AMEX 21100	100.00	+0.00
AMEX 21200	100.00	+0.00
AMEX 21300	100.00	+0.00
AMEX 21400	100.00	+0.00
AMEX 21500	100.00	+0.00
AMEX 21600	100.00	+0.00
AMEX 21700	100.00	+0.00
AMEX 21800	100.00	+0.00
AMEX 21900	100.00	+0.00
AMEX 22000	100.00	+0.00
AMEX 22100	100.00	+0.00
AMEX 22200	100.00	+0.00
AMEX 22300	100.00	+0.00
AMEX 22400	100.00	+0.00
AMEX 22500	100.00	+0.00
AMEX 22600	100.00	+0.00
AMEX 22700	100.00	+0.00
AMEX 22800	100.00	+0.00
AMEX 22900	100.00	+0.00
AMEX 23000	100.00	+0.00
AMEX 23100	100.00	+0.00
AMEX 23200	100.00	+0.00
AMEX 23300	100.00	+0.00
AMEX 23400	100.00	+0.00
AMEX 23500	100.00	+0.00
AMEX 23600	100.00	+0.00
AMEX 23700	100.00	+0.00
AMEX 23800	100.00	+0.00
AMEX 23900	100.00	+0.00
AMEX 24000	100.00	+0.00
AMEX 24100	100.00	+0.00
AMEX 24200	100.00	+0.00
AMEX 24300	100.00	+0.00
AMEX 24400	100.00	+0.00
AMEX 24500	100.00	+0.00
AMEX 24600	100.00	+0.00
AMEX 24700	100.00	+0.00
AMEX 24800	100.00	+0.00
AMEX 24900	100.00	+0.00
AMEX 25000	100.00	+0.00

Symbol	Price	Change
AMEX 25100	100.00	+0.00
AMEX 25200	100.00	+0.00
AMEX 25300	100.00	+0.00
AMEX 25400	100.00	+0.00
AMEX 25500	100.00	+0.00
AMEX 25600	100.00	+0.00
AMEX 25700	100.00	+0.00
AMEX 25800	100.00	+0.00
AMEX 25900	100.00	+0.00
AMEX 26000	100.00	+0.00
AMEX 26100	100.00	+0.00
AMEX 26200	100.00	+0.00
AMEX 26300	100.00	+0.00
AMEX 26400	100.00	+0.00
AMEX 26500	100.00	+0.00
AMEX 26600	100.00	+0.00
AMEX 26700	100.00	+0.00
AMEX 26800	100.00	+0.00
AMEX 26900	100.00	+0.00
AMEX 27000	100.00	+0.00
AMEX 27100	100.00	+0.00
AMEX 27200	100.00	+0.00
AMEX 27300	100.00	+0.00
AMEX 27400	100.00	+0.00
AMEX 27500	100.00	+0.00
AMEX 27600	100.00	+0.00
AMEX 27700	100.00	+0.00
AMEX 27800	100.00	+0.00
AMEX 27900	100.00	+0.00
AMEX 28000	100.00	+0.00
AMEX 28100	100.00	+0.00
AMEX 28200	100.00	+0.00
AMEX 28300	100.00	+0.00
AMEX 28400	100.00	+0.00
AMEX 28500	100.00	+0.00
AMEX 28600	100.00	+0.00
AMEX 28700	100.00	+0.00
AMEX 28800	100.00	+0.00
AMEX 28900	100.00	+0.00
AMEX 29000	100.00	+0.00
AMEX 29100	100.00	+0.00
AMEX 29200	100.00	+0.00
AMEX 29300	100.00	+0.00
AMEX 29400	100.00	+0.00
AMEX 29500	100.00	+0.00
AMEX 29600	100.00	+0.00
AMEX 29700	100.00	+0.00
AMEX 29800	100.00	+0.00
AMEX 29900	100.00	+0.00
AMEX 30000	100.00	+0.00

To Our Readers
Because of the seven-hour time difference between New York and Paris until April 2, some items in the Market Summary above are from 3 P.M. New York time instead of the usual 4 P.M. Also because of the time difference, some other items elsewhere in the Business section are from the previous day's trading.
We regret the inconvenience, which is necessary to meet distribution requirements.

BUSINESS ROUNDUP

Magnet Directors Propose Buyout Deal Values British Company at Almost £630 Million

Compiled by Our Staff From Dispatches
LONDON — Directors of Magnet PLC said Wednesday they were offering to acquire the British building-products company in a deal that valued it at £629.3 million (\$1.06 billion) and would be the

largest management buyout in Britain.
A group of Magnet directors, including Tom Duxbury, the chairman and chief executive, said in January that they had made an approach that could lead to a rare

management buyout of a British company.

Mr. Duxbury has in recent years steered the company from being a supplier to the building trade to a retailer. This change of strategic direction, coupled with an uncertain outlook for British consumer spending in coming months, is expected to have an adverse impact on the company's stock price in the short to medium term, Mr. Duxbury said in a statement.

The offer gives common shareholders 300 pence, or £52.6 million, and a 16 percent stake in the acquiring entity, DMWSL PLC. Convertible preference shareholders would get 25 pence cash, a replacement preference share valued at 80 pence and a 4 percent interest in DMWSL, valuing their investments at £76.7 million.

The bid valuations do not include a price for the equity interest in DMWSL.

Magnet common stock rose to 309 pence on the London Stock Exchange on Wednesday, up 20 pence for the day.

DMWSL is to be managed by all of Magnet's existing executive directors, the company said in a statement. About 4,000 Magnet employees are to be given the chance to acquire equity stakes.

The offer price for the stock is 15.9 times Magnet's historic earnings, according to the DMWSL statement.

Institutional shareholders representing 12.2 percent of the convertible shares have given irrevocable undertakings to accept the takeover offer.

The offer for Magnet is larger than the £505 million paid by managers of the MFI furniture retailing unit in 1987. They bought the operation from its former parent, ASDA-MFI Group PLC.

(Reuters, AP)

Boulet Makes Hostile Offer For Boase Agency of Britain

Reuters
LONDON — The Paris-based advertising agency, Groupe Boulet Dru Dupuy Petit SA, said Wednesday it was bidding 300 pence (\$5.06) per share for Boase Massimi Polhill PLC, which values the British concern that had rejected an earlier overture at £103 million.

The offer was below Tuesday's closing price of 304 pence, and Boase said such a bid could not be taken seriously. Immediately after the Boulet announcement, the stock fell to 303 pence, but it then recovered to trade at 305 pence on the London Stock Exchange.

Martin Boase, chairman of the British ad agency, said, "Boulet has made a hostile offer for Boase Massimi despite the stated opposition of our clients and staff whose views have been made clear to Boulet."

On March 8, Boase Massimi rejected a 300 pence per share offer from Boulet, which on the same day said it was considering making a cash bid at about that price.

Boulet currently owns around 10.5 percent of Boase Massimi's issued ordinary shares, up from the 6.48 percent the French company said it had on March 8.

Boulet said a takeover of Boase Massimi would create a leading international communications con-

cern with strong presences in Britain and the United States, where it owns Ammirati & Puris Inc., as well as in Continental Europe. Boulet is one of the top five French ad agencies, and the privately owned company has offices in Belgium, Britain, Italy and West Germany. Boase is active in Britain and the United States.

On March 8, Mr. Boase said, "Boulet making a hostile approach for our business indicates how much they need to expand from their rather limited base in Paris."

Jean-Claude Boulet, president of the French concern, said Wednesday, "I am disappointed that Boase Massimi has so far chosen to reject our approach, particularly since Boase Massimi's board clearly felt in our meetings last year that a merger of our respective groups would benefit their business and clients."

Mr. Boase has said those talks broke off after his company became convinced that Boulet was not "a suitable group for us to acquire."

The French newspaper Le Monde reported that 60 percent of Boulet's financing was to come from Credit Agricole, Industrial Bank of Japan and Charterhouse Bank Ltd. The remainder was to be raised through a capital increase and a private placement of debentures.

U.S. Halts Opposition to Emery Takeover

Compiled by Our Staff From Dispatches
MENLO PARK, California — Consolidated Freightways Inc. said Wednesday that the U.S. Justice Department would allow it to proceed with its agreement to acquire Emery Air Freight Corp. for \$230 million.

Earlier this week, the department asked Emery to try to find another buyer.

In a statement issued from Washington, Charles F. Rule, assistant attorney general in charge of the antitrust division, said the department still believed the acquisition would likely prove anticompetitive, noting that the industry is dominated by only four carriers. But, Mr. Rule said, "After a

thorough investigation, we concluded that if the department tried to challenge the proposed acquisition, Emery would be successful in establishing a failing-firm defense under the antitrust laws."

Under the failing-firm doctrine, an otherwise anticompetitive acquisition is not unlawful if two requirements are met: The company being acquired must show that it will not be able to meet its obligations through the use of existing assets and that it probably would not emerge from a restructuring or reorganization as a viable competitor.

The company must also show that no other buyer that would represent less of a threat to competi-

tion is willing to purchase its assets.

Emery, which has had financial difficulties since its \$348 million purchase of Purolator Courier Corp. two years ago, is the largest U.S. air-freight operator and Consolidated is third. Consolidated would control about half the U.S. market after the takeover, up from about 20 percent.

Consolidated said that through Tuesday, it had received about 21.9 million Emery common shares, or 89 percent, and 1.0 million preferred shares, or 75 percent, in response to its tender offer. The company is offering \$7.75 per share for the common and \$21.10 for the preferred stock.

(Reuters, AP)

Tight World Spandex Supplies Said To Spur Move to Squeeze Du Pont

By James Hirsch

New York Times Service

NEW YORK — Spandex, a fiber used to make tight-fitting stretchable clothes, has been around for nearly 30 years. But Bruno Skerianz apparently saw a new way to make a quick profit from it, according to law enforcement officials.

Last month, Mr. Skerianz was arrested in Geneva and charged with trying to extort \$10 million from Du Pont Co., the world's leading manufacturer of spandex, which has become the hip fabric of the 1980s.

Mr. Skerianz and three other people were captured with about 1,000 documents stolen from Du Pont's Argentine subsidiary. The documents detailed how to produce Lycra, the Du Pont trade name for spandex. Officials say Mr. Skerianz thought Du Pont would pay to protect its proprietary technology.

Mr. Skerianz knew the value of Lycra; two years ago he was hired by Lycradex SA, a Mexico City fabric maker, to find new suppliers of spandex. He visited suppliers in Japan, South Korea, West Germany, Italy, Argentina and China.

He returned empty-handed. "There are many spandex factories around the world," said Isaac Asa, the manager of Lycradex, "but the market is very tight."

Mr. Skerianz quit Lycradex in March. Mr. Asa said Mr. Skerianz's fruitless search for spandex was the beginning of a year-long effort to exploit the spandex shortage for his own gain.

Law enforcement officials say Mr. Skerianz told Du Pont that in return for \$10 million he would not sell the company's spandex technology to competitors or build a factory himself.

Analysts said Du Pont's Lycra sales last year were \$600 million, up 10 percent. "On return of sales, Lycra is not only Du Pont's most lucrative fiber but its most lucrative product," said James H. Wilbur, an analyst for Smith Barney, Harris Upham & Co.

Du Pont dominates the growing spandex market largely because competitors lack the technology to produce the fiber.

"It's not like a simple plastic," said Avi M. Nash, a Goldman, Sachs & Co. analyst. "It is impossible to produce? No. But it costs a great deal to develop that Lycra technology is particu-

larly valuable now because of changes in fashion. While the fiber can be found in everything from athletic shoes to sports pants, the big growth areas have been trendy sportswear and women's hosiery.

"It has a nice, smooth feel," said Audrey Goldman, an assistant hosiery for the Bloomingdale's stores.

Consumers pay more for the smooth feel. Lycra hose at Bloomingdale's cost \$4.50, a dollar more than those without spandex.

But trying to meet the increased demand for clothes with Lycra has left some makers of

goods. Now they can't tell me when I'll get it."

Not surprisingly, Du Pont is spending \$550 million to double its capacity in the next three years by building eight new plants. Mr. Wilbur of Smith Barney said the company currently produces 18 million pounds (8.2 million kilograms) of spandex in the United States. Du Pont's only U.S. competitor, the Globe Manufacturing Co. of Fall River, Massachusetts, produces 4 million pounds. Mr. Wilbur said. There are spandex makers in West Germany, South Korea and Japan.

The shortage of spandex has driven up its price. Companies that knit the fiber into the stretchy fabric say Du Pont raised Lycra prices 10 percent in January. Lycra costs between \$5 to \$40 a pound, depending on thickness. This increase has driven up the price of spandex fabric to about \$3.86 per yard (0.9 meter), up from \$3.36 a year ago.

Du Pont introduced spandex in 1960 and made Lycra its trade name in 1963. Produced by a complex chemical process in spinning machines, the fabric was initially used in bras and girdles.

Even though most patents for Lycra have expired, analysts are not surprised that other companies have not entered the spandex market.

"Fiber is a capital-intensive, slow-growth area," said William R. Young, an analyst at Drexel Burnham Lambert Inc. "If companies feel they don't have the highest technology, why bother?"

Mr. Asa said that when Mr. Skerianz went to Argentina, he met three engineers at Du Pont's subsidiary. He returned to Mexico City and told Mr. Asa that the Du Pont employees could build a spandex plant if Mr. Asa would capitalize it with \$6 million to \$8 million. "I told him to forget it; I didn't have that much money," Mr. Asa said.

In December and January, Mr. Skerianz met Du Pont executives in the company's headquarters in Wilmington, Delaware. According to court records, he told them he had proprietary information about Lycra and that in return for \$10 million he and the former Du Pont employees who had quit within the last several months would not build a spandex factory for five years or sell the documents to a competitor.



Spandex is very popular for tight-fitting athletic clothing.

spandex fabric and small retailers scrambling.

"Oh God, have I been having a hard time getting spandex," said Steve Koshin, who runs the Maxine Fabrics Co., which buys spandex from a mill and sells it to costume companies. "For at least 10 years I've been calling the mill and in 10 days I have the

Insurers Pay \$225 Million For Stake in Goldman Sachs

Reuters
NEW YORK — Goldman Sachs & Co., one of Wall Street's big investment banking houses, said Wednesday that a group of seven insurance companies had made a \$225 million equity investment in the firm.

In connection with the transaction, the firm said, it has formed Goldman Sachs Group LP as a holding partnership for Goldman Sachs & Co.

Goldman Sachs did not identify the insurance companies making the investment, describing them only as "major." It said they would be passive investors, guaranteed a fixed return, and would have neither voting rights nor any role in management.

The partners of the holding company are the current partners of Goldman Sachs & Co., plus the new investment group.

The general partners of Goldman Sachs Group remain general partners of Goldman Sachs & Co., which will continue to conduct its business in the usual manner, the investment house said.

Goldman Sachs, like other Wall Street investment firms, has been active in seeking fresh capital.

In 1986, the Federal Reserve Board approved a \$500 million equity investment in Goldman Sachs by Sumitomo Bank Ltd. of Japan.

That investment, which marked the first time a giant foreign bank holding company had bought a large ownership stake in a major U.S. securities firm, aroused initial objections from the Federal Reserve.

To meet one major objection, Goldman Sachs and Sumitomo agreed that the Japanese bank's stake in the investment house's total equity would not rise above 24.9 percent.

San Miguel Profit Up 17%

Reuters
MANILA — San Miguel Corp., the Philippine brewer and food company, reported Wednesday that its net income had risen 17 percent to 2.05 billion pesos (\$95.9 million) in 1988 on sales of 20.6 billion pesos, which were up 14.4 percent. San Miguel said it was planning to offer new stock to existing shareholders to raise funds for expansion.

SEC Rebuff Is the Undoing Of Unbundled Stock Units

New York Times Service
NEW YORK — Four major U.S. corporations withdrew restructuring plans involving so-called unbundled stock units on Wednesday, after the Securities and Exchange Commission raised a significant objection.

Ronald Gallatin, a managing director of Shearson Lehman Hutton Inc. and the main inventor of the units, said Tuesday that the SEC staff had told Shearson it would not approve proposed accounting for the innovative securities.

This accounting would have allowed the companies to report higher earnings per share during the 30 years the units were to be outstanding.

Dow Chemical Co., Pfizer Inc., Sara Lee Corp. and American Express Co., Shearson's partial parent, had planned to offer unbundled stock units in exchange for up to 20 percent of their shares.

It would still be possible to issue the units, but Shearson and Goldman, Sachs & Co., its co-underwriter, recommended that the companies drop their plans. They all did so on Wednesday.

Wall Street reaction was favorable late Wednesday, with Ameri-

can Express up 25 cents, to \$31.125 a share, Dow up \$1. to \$90.625, Pfizer up 50 cents, to \$37.00, and Sara Lee up 50 cents, to \$47.875.

For the companies that planned to issue the units, there were tax and accounting advantages. But Mr. Gallatin's decision to advise companies against proceeding, indicates that he thought the accounting treatment was an important benefit for the companies.

Each unbundled stock unit was to contain securities that represented various attributes of a share:

• A bond would pay interest equal to the current stock dividend rate, but at maturity it would be worth substantially more than the current stock price.

• A preferred share would pay the equivalent of any dividend increases on the common.

• A warrant would enable the holder of the other two securities to combine them into a share of stock in 30 years.

Mr. Gallatin said the proposed accounting had been approved by the staff of the Financial Accounting Standards Board.

It called for not counting in terms of earnings per share, the shares turned in for unbundled units.

NOW DISTANCE IS NO LONGER A BARRIER

Most long-haul flights used to be exactly that. A

long haul, with the inevitable refuelling stop en

route. The barriers of distance stood in our way.



But now those barriers have been broken, by the

largest, fastest long-haul aircraft in the world.

SIA's MEGATOP 747. It will be the first passenger

aircraft ever to fly nonstop between Singapore

and London . . . cutting hours off normal travel

times; the first stretched upper deck 747 capable

of flying San Francisco to Hong Kong nonstop, or

Honolulu to Singapore nonstop; and the first of its

type to serve Europe, Australia and Asia. Yet no

matter how many hours our MEGATOP may save

you, you will still have ample time to enjoy a

standard of inflight service even other airlines

talk about. The MEGATOP 747 takes you further,

faster, in greater comfort and luxury, than you

ever imagined. Experience it from 9 April 1989.

A great way to fly

SINGAPORE AIRLINES



Wednesday's NASDAQ Prices

Prices as of 4 p.m. New York time.
This list, compiled by the NASDAQ, consists of the 1,000 most traded securities in terms of dollar volume.
It is intended to be a guide.

Via The Associated Press

10 Most Traded Stocks

Symbol Last Bid Ask High Low Pk

1. IBM 100 100 100 100 100

2. Microsoft 100 100 100 100 100

3. Apple 100 100 100 100 100

4. Oracle 100 100 100 100 100

5. Sun 100 100 100 100 100

6. Intel 100 100 100 100 100

7. Lotus 100 100 100 100 100

8. Compaq 100 100 100 100 100

9. Hewlett-Packard 100 100 100 100 100

10. Texas Instruments 100 100 100 100 100

11. Motorola 100 100 100 100 100

12. Texas Instruments 100 100 100 100 100

13. Intel 100 100 100 100 100

14. Microsoft 100 100 100 100 100

15. Apple 100 100 100 100 100

16. Oracle 100 100 100 100 100

17. Sun 100 100 100 100 100

18. Intel 100 100 100 100 100

19. Lotus 100 100 100 100 100

20. Compaq 100 100 100 100 100

21. Hewlett-Packard 100 100 100 100 100

22. Texas Instruments 100 100 100 100 100

23. Motorola 100 100 100 100 100

24. Texas Instruments 100 100 100 100 100

25. Intel 100 100 100 100 100

26. Microsoft 100 100 100 100 100

27. Apple 100 100 100 100 100

28. Oracle 100 100 100 100 100

29. Sun 100 100 100 100 100

30. Intel 100 100 100 100 100

31. Lotus 100 100 100 100 100

32. Compaq 100 100 100 100 100

33. Hewlett-Packard 100 100 100 100 100

34. Texas Instruments 100 100 100 100 100

35. Motorola 100 100 100 100 100

36. Texas Instruments 100 100 100 100 100

37. Intel 100 100 100 100 100

38. Microsoft 100 100 100 100 100

39. Apple 100 100 100 100 100

40. Oracle 100 100 100 100 100

41. Sun 100 100 100 100 100

42. Intel 100 100 100 100 100

43. Lotus 100 100 100 100 100

44. Compaq 100 100 100 100 100

45. Hewlett-Packard 100 100 100 100 100

46. Texas Instruments 100 100 100 100 100

47. Motorola 100 100 100 100 100

48. Texas Instruments 100 100 100 100 100

49. Intel 100 100 100 100 100

50. Microsoft 100 100 100 100 100

51. Apple 100 100 100 100 100

52. Oracle 100 100 100 100 100

53. Sun 100 100 100 100 100

54. Intel 100 100 100 100 100

55. Lotus 100 100 100 100 100

56. Compaq 100 100 100 100 100

57. Hewlett-Packard 100 100 100 100 100

58. Texas Instruments 100 100 100 100 100

59. Motorola 100 100 100 100 100

60. Texas Instruments 100 100 100 100 100

61. Intel 100 100 100 100 100

62. Microsoft 100 100 100 100 100

63. Apple 100 100 100 100 100

64. Oracle 100 100 100 100 100

65. Sun 100 100 100 100 100

66. Intel 100 100 100 100 100

67. Lotus 100 100 100 100 100

68. Compaq 100 100 100 100 100

69. Hewlett-Packard 100 100 100 100 100

70. Texas Instruments 100 100 100 100 100

71. Motorola 100 100 100 100 100

72. Texas Instruments 100 100 100 100 100

73. Intel 100 100 100 100 100

74. Microsoft 100 100 100 100 100

75. Apple 100 100 100 100 100

76. Oracle 100 100 100 100 100

77. Sun 100 100 100 100 100

78. Intel 100 100 100 100 100

79. Lotus 100 100 100 100 100

80. Compaq 100 100 100 100 100

81. Hewlett-Packard 100 100 100 100 100

82. Texas Instruments 100 100 100 100 100

83. Motorola 100 100 100 100 100

84. Texas Instruments 100 100 100 100 100

85. Intel 100 100 100 100 100

86. Microsoft 100 100 100 100 100

87. Apple 100 100 100 100 100

88. Oracle 100 100 100 100 100

89. Sun 100 100 100 100 100

90. Intel 100 100 100 100 100

91. Lotus 100 100 100 100 100

92. Compaq 100 100 100 100 100

93. Hewlett-Packard 100 100 100 100 100

94. Texas Instruments 100 100 100 100 100

95. Motorola 100 100 100 100 100

96. Texas Instruments 100 100 100 100 100

97. Intel 100 100 100 100 100

98. Microsoft 100 100 100 100 100

99. Apple 100 100 100 100 100

100. Oracle 100 100 100 100 100

CURRENCY MARKETS

Bankers Again Try to Brake Dollar

NEW YORK — Western central banks again attacked the dollar on Wednesday with further concerted intervention in an effort to stem a rally that has driven the U.S. currency to its highest levels in seven months.

The U.S. Federal Reserve and the West German Bundesbank led the intervention after the dollar surged to a high of 1.8960 Deutsche marks in early European trading. The U.S. currency dropped briefly below 1.89 DM following the move, then rebounded.

After a late afternoon rally in New York, the U.S. unit closed mixed against most major currencies. It finished at 1.8943 DM, down slightly from 1.8953 DM on Tuesday, and at 133.325 yen, up from 133.125 yen.

The British pound firmed slightly to \$1.6860 from \$1.6850 a day earlier.

The U.S. currency slipped to 1.6513 Swiss francs, from 1.6528 francs on Tuesday, and to 6.3920 French francs, down from 6.3990.

Dealers said the dollar was unlikely to break through its recent highs before the meeting of finance ministers and central bankers from the Group of Seven industrial countries this weekend in Washington.

"Dollar sentiment remains positive, but the market may have seen its highest levels for this week," said Koichi Yamane, foreign-exchange manager at Fuji Bank in

London Dollar Rates

Currency	Wed.	Tue.
Deutsche mark	1.8943	1.8953
Swiss franc	1.6513	1.6528
Japanese yen	133.325	133.125
French franc	6.3920	6.3990

Source: Reuters

London. "The markets will pile up energy to buy dollars next week after the G-7 meeting."

Analysts said the Group of Seven ministers might have to raise the dollar's present reference range at the weekend meeting, since some countries are now reluctant to raise interest rates.

Many analysts believe that the current reference range for the dollar established with the Louvre Accord in 1987 is between 1.70 DM and 1.90 DM.

With the dollar threatening to break above 1.90 DM this week, "the high end may be raised to 1.95 marks," said Alan Lerner at Bankers Trust Co. in New York. "The authorities will have to tolerate a higher dollar," he added.

Robert White, vice president and foreign-exchange manager at First Interstate Bank in Los Angeles, agreed. "They have to accept a rate above 1.90 marks unless they increase interest rates," he said.

"At the moment the G-7 priority is fighting inflation and that calls for a tighter U.S. monetary policy and higher U.S. interest rates," Mr. Lipp said.

The group comprises the United States, Japan, West Germany, Britain, France, Canada and Italy.

Trade Deficit In U.K. Grows To £2.2 Billion

Compiled by Our Staff From Dispatches

LONDON — Britain's merchandise trade deficit widened unexpectedly to £2.2 billion (\$3.71 billion) in February as exports fell faster than imports, the government said Wednesday.

The seasonally adjusted February shortfall compared with a deficit of £2.1 billion in January and a £1.51 billion gap in February 1988.

With February's trade in invisibles — services, overseas investment earnings and official transfer payments — estimated to be in surplus by £500 million, the current account showed a deficit of £1.7 billion in February. That compares with a revised deficit of £1.6 billion in January and a £1.17 billion deficit in February 1987.

Exports fell 7.4 percent in February, to £6.83 billion, but rose 10 percent from February 1988. Imports eased 4.7 percent on the month, to £9.03 billion, but were a sharp 17 percent above a year earlier.

For the first time since May 1980, the oil trade balance turned negative, mainly due to production cuts because of accidents. (AP, Reuters)

Japan Minister To Miss G-7

New York Times Service

WASHINGTON — Japan's finance minister, Taro Murayama, will not attend the meetings this weekend of the finance ministers of the United States and its major allies, according to Japanese officials, casting doubts on what might be accomplished.

His absence will mark the first time a finance minister has missed a meeting of the Group of Seven industrial democracies since it was formed in 1986. The group is composed of the finance ministers and central bankers of the United States, Japan, West Germany, Britain, France, Italy and Canada.

A Japanese official said Tuesday that parliamentary delays in completing the government budget would force Mr. Murayama to remain in Tokyo. He said the Bank of Japan's governor, Satoshi Sumita, would attend.

TAIWAN: Reforms Open Up the Economy, at a Price

(Continued from first finance page) concession to Taiwan's largest trading partner. "The liberalization move is expected to reduce our risk of being included in the U.S. retaliation," he said, referring to an alleged hit list of countries singled out for exchange-rate manipulation.

If appeasing the United States and speeding up the process of economic internationalization are the advantages of the currency reform, the most obvious drawback is a potential to squeeze the small exporter.

More than 90 percent of Taiwan's domestic industry is classified as small and medium-sized companies that depend on exports for about 70 percent of their gross revenue. Largely family owned, they are unsophisticated in the art of hedging. Although a depreciating Taiwan dollar could increase their sales, a prolonged period of sharp and unpredictable exchange-rate swings could bankrupt them.

"The big companies which employ foreign-exchange traders will be able to hedge their risks, and

probably even make money," said Su Han-ming, chief economist with the International Commercial Bank of China. "But the small exporters will be subject to greater risk. Their profit margins have already been eroded by rising wage rates, and extreme currency fluctuations could hurt them badly."

Some economists say the problems of small exporters fall near the bottom of Taiwan's priority list. As part of its internationalization policy, the government is more concerned with helping Taiwan's major companies mature into multinationals.

"The small exporters are a dying race," said Jardine Fleming's Mr. Nelson.

David O'Rear, an associate director with Business International who monitors Taiwan, said small distributors and trading companies may be able to adapt to changes in the island's economy, but the small manufacturers, such as computer assemblers and auto-parts makers, are doomed. "And what are they going to do with the people who work in all those factories?" he asked.

Not all economists are convinced that the relaxation of currency controls will lead to a more volatile foreign-exchange market. Some believe that the central bank will continue to intervene heavily, but less directly, using government-owned banks or overseas traders.

Economists are divided, too, on the long-term direction of the Taiwan dollar once foreign-exchange controls are eased. Mr. O'Rear believes the pressure of a large current-account surplus and a healthy domestic economy will continue to push the Taiwan dollar upward, to at least 4 cents by the end of 1989.

"There is still good upside potential," he said. "I do not see why the currency would stop appreciating now."

On Monday, as rumors of the impending announcement circulated through the market, the currency logged a record one-day drop of 2 cents against the U.S. dollar. It fell to 3.66 cents, but recovered Tuesday to 3.676 cents. Markets were closed Wednesday for a holiday.

MAY 1989

31 Wednesday

SCOTLAND
and
EUROPE

The next ten years

Mark Your Calendar Now!

The International Herald Tribune is delighted to announce a major conference to be held in Edinburgh on May 31.

The aim of the conference is to examine the position of Scotland in the integrated Europe of 1992 and beyond, including the country's role as a thriving financial center. The conference will also consider investment programs as well as new and existing business opportunities in Scotland.

For further information, please send your business card to Jennifer Bielenberg, Scotland Conference, International Herald Tribune, 63, Long Acre, London WC2E 9JH. Telephone: (44 1) 379 4302. Telex 262009. Facsimile: (44 1) 240 2254.

INTERNATIONAL
Herald Tribune

Published With The New York Times and The Washington Post

SPORTS

Baseball Preview: In the AL East, Parity Follows the Hot Glory Years

The Associated Press
The American League East isn't so hot anymore.

One of the great teams, Boston won last year with only 89 victories, the fewest ever in a full season for an AL East champion.

One of the great players, too, Eddie Murray, Bruce Hurst, Julio Franco, Jack

First of four articles

Clark, Walt Terrell, Clendell Washington and Willie Randolph all left, weakening what once was far-and-away baseball's best division.

"It used to be that you went into the season knowing it would take 100 wins," Milwaukee's Paul Molitor said. "It wasn't like when you saw what it took to win other divisions. Now, you know if you win 90 wins, you've got a chance."

If the AL East isn't as strong overall, parity has made the pennant race even better.

TORONTO BLUE JAYS

General manager Pat Gillick, nicknamed "Stand Pat," has not made a major trade since getting Mike Flanagan on Aug. 31, 1987. If the Blue Jays don't go far this season, it will be the last time the team stays intact.

Basically, it's the same bunch that has won at least 86 games for six straight years.

Manager Jimmy Williams won last spring's power struggle with George Bell, but Bell's production dropped (269, 24 home runs, 97 runs batted in). Jesse Barfield (18 HR) and new leadoff hitter Lloyd Moseby (31 stolen bases) will join Bell in the outfield.

Tony Fernandez (.287, 41 doubles) is a

three-time Gold Glove winner at shortstop, and Fred McGriff's 34 home runs established him at first base. Kelly Gruber (81 RBI) is solid at third base, but second base remains weak. Free agent Bob Brenly will play with Pat Borders (.273) at catcher.

The Blue Jays led the league with 17 shutouts, and pitching, as usual, will determine what happens.

Dave Stieb (16-8) came within one strike of no-hitters in his final two starts. Left-handers Jimmy Key (12-5 despite elbow trouble), Flanagan (13-13) and Jeff Musselman (4-1) also are in the rotation. John Cerutti (0-9) earned run average after the All-Star break) may fill in for departed free agent Jim Clancy.

Toronto won 22 of its final 29 games and finished two games behind Boston. This year, the Blue Jays hope the old gang in a new location (the SkyDome opens June 5) can bring the first World Series to Canada.

DETROIT TIGERS

Sparky Anderson is a great manager. How else can he keep the Tigers close with patchwork lineups?

Detroit was in first place last August, but injuries to Alan Trammell, Lou Whitaker and Jeff Robinson led to a 4-19 skid that ended its chance of winning.

Trammell (.311) and Whitaker (.275) again are in the middle; it seems like they've been there forever, but both are only 31. Keith Moreland and Chris Brown, acquired from San Diego for Terrell, should help with offense at the corners.

Robinson held opponents to a .197 batting average, lowest among AL starters, and was 13-6. He seems to have recovered from circulation problems that finished him six weeks early. Jack Morris (15-13) is still the top winner of the decade and

Frank Tanana and Doyle Alexander each won 14 games.

Fred Lynn (25 HR at age 36), Gold Glove winner Gary Pettit and Chet Lemon (64 RBI) form an outfield comprised of three center fielders.

MILWAUKEE BREWERS

Everyone was picking the Brewers this year until injuries to Ted Higuera and Juan Nieves wrecked a pitching staff that lost the league's ERA title to Oakland on the final day of the season.

Bill Wengert (13-13), Mike Birkbeck (10-8) and Don August (13-7) must take over while Higuera (16-8, 2.45) and Nieves (7-5) heal.

The Brewers' bullpen was the most effective in the majors, converting 51 of 58 saves opportunities. Dan Plesac (30 saves), Chuck Crim (AL-high 70 games) and Paul Mirabella (1.65 ERA, stranding 35 of 42 inherited runners) were the reason.

Robin Yount (.306, 91 RBI, 22 SB) at age 33 is on track for 3,000 career hits and possible election to the Hall of Fame. Mo- rior (.312) and Rob Deer (23 HR) might get help from rookie shortstop Gary Sheffield.

BOSTON RED SOX

Sure, Manager Joe Morgan and Boston overcame a nine-game deficit at the All-Star break and won the division. But the Red Sox went 27-30 after Aug. 4, got swept by Oakland in the playoffs and lost Hurst to free agency.

Therefore, Morgan's Miracle might be hard to duplicate, especially with the off-field problems that are sure to linger all season.

Roger Clemens (18-12, 2.93 ERA) decided to stay for three more years but upset fans with remarks that may have been

misconstrued. Mike Boddicker (13-15), Oil Can Boyd (9-7 with arm trouble) and newly acquired John Dopson (3-11, 3.04 ERA with Montreal) must make up for Hurst's 18 victories. Lee Smith (29 saves) will benefit from the addition of Rob Murphy (76 games, 3.08 ERA), acquired with Nick Eassey from Cincinnati for Todd Benzinger and Jeff Sellers.

The Red Sox led the majors with a .283 batting average and 813 runs, but were 10th with only 124 home runs even while playing half their games at Fenway Park.

Wade Boggs (.356 lifetime) won his fifth batting title, including four straight, and led the majors with a .476 on-base average. Boggs can somehow block out distractions, but the rest of the team cannot avoid the legal mess involving Boggs' ex-mistress.

NEW YORK YANKEES

Will big changes at Yankee Stadium bring big success? Probably not, because the new pitching staff isn't any better than the old one that ranked 12th with a 4.24 ERA and allowed a major-league high 157 home runs.

Under new Manager Dallas Green and an all-new coaching staff, pitchers Andy Hawkins (14-11) and Dave LaPoint (14-15) were signed as free agents; pitchers Jimmy Jones (9-14) and Lance McCullers (10 saves) were acquired from San Diego for Clark; Rick Rhoden is gone; John Candelaria is hurt, and Green doesn't want Ron Guidry.

Free agent Steve Sax (.277, 42 SB) and Ricky Henderson (.305, 93 SB) give Green the National League-style players he likes. But without Clark (.278, 93 RBI) and free agent Washington (.308, 64 RBI), a lot of power is missing.

Don Mattingly (.311, 18 HR, 88 RBI, career-high nine errors) had an off-year by his standards. Dave Winfield (.322, 25 HR, 107 RBI) had a super season, but back problems may limit him at age 37.

CLEVELAND INDIANS

Cleveland made a 17-game improvement and came within 11 games of first place, its closest finish since 1959. A young pitching staff gives the Indians more hope this year, but their 1948 World Series championship flag won't get any company.

The Indians, who led the majors in runs a few years ago, now stress pitching, fielding and speed. Franco (.305) was traded to Texas for first baseman Pete O'Brien (.272, 71 RBI), center fielder Oddibe McDowell (.33 SB) and good-glove second baseman Jerry Browne.

Veteran knuckleballer Tom Candiotti (14-8) is joined by Greg Swindell (18-14), John Farrell (14-10) and Scott Bailes (9-14), all in their mid-20s.

BALTIMORE ORIOLES

The Orioles have new uniforms, new owners and a lot of new players. It might be enough to improve on a 54-107 record and a 21-game losing streak to start the season, but not enough to matter.

Murray was traded to Los Angeles for Brian Holton, Juan Bell and Ken Howell. The Orioles then sent Howell, who hasn't proven himself, to Philadelphia for former All-Star Phil Bradley.

None of the current pitchers won more than eight games or had more than three saves last season. The Orioles even invited Al Holland, Ken Dixon and Fred Beiring to spring training; none pitched anywhere last year.

Only Cal Ripken and Bradley are guaranteed spots in the field.

Next: The AL West.



In Arizona's spring training sunshine, Joel Skinner of the Cleveland Indians is caught off-base by some fans seeking autographs.

Cubs Release Gossage and Nipper

MESA, Arizona — Rich "Goose" Gossage, one of the best relievers in baseball history is out of a job.

Gossage, who at 37 lacks the fastball that once made him a hitter's late-inning fear in both leagues, was released Tuesday by the Chicago Cubs after a poor spring followed an awful 1988.

"I'll go fishing," he said. "The most important thing in my life is my family. A game is a game. My boys are starting baseball now. I'll go over and boot them."

But in the same breath, Gossage said he still wants a chance to pitch.

"They said I was through in '84, and I wasn't," said Gossage, whose 302 saves are second only to Rollie Fingers' 341. "Basically, that's how I feel now. I still feel as if I have a couple more years ahead of me."

The Cubs decided that Mitch Williams and Calvin Schiraldi will cover them in short relief.

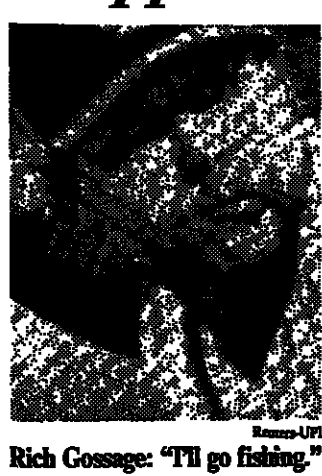
Al Nipper, acquired from Boston in a 1987 trade that sent Lee Smith to the Red Sox, also was released as the Cubs reduced the number of pitchers in camp to 11.

Gossage still has a guaranteed contract worth \$1.2 million. He was 4-4 with 13 saves in 1988.

He broke into the majors in 1972 with the Chicago White Sox and later pitched for the Pittsburgh Pirates, the New York Yankees and the San Diego Padres before joining the Cubs.

He has a lifetime record of 110-97 and a lifetime ERA of 2.92.

Experimenting with off-speed pitches to compensate for a diminished fastball, Gossage had an unusual exhibition season. Even though he had a 0.82 ERA, he



Rich Gossage: "I'll go fishing."

walked 13 batters in 11 innings. Gossage conceded that his numbers last season hurt his chances in camp this year.

Play Ball! For Soviets, A U.S. Test

WASHINGTON — The Soviet national baseball team is scheduled to arrive in the United States on April 8 to test their newly acquired skills against college teams.

The Soviets, gearing up for the 1992 Summer Olympics, when baseball will be a full-medal sport, are to play a 12-game schedule, including a game April 12 against George Washington University.

"Personally, I hope for three things," said Alexei Nikolov, a member of the Soviet Baseball Federation. "First, that our players will gain confidence; second, that they will learn as much as possible; and third, that if this has some success in Washington and elsewhere in the United States, more people in our country will become interested in baseball."

Soviet and American teams have conducted exchanges over the past two years, but the April tour will mark the first time a Soviet team has engaged in international competition against U.S. teams.

"I'm concerned that the level of competition is a little too much for them at this stage," said Robert Smith, president of the International Baseball Association.

Among the teams the Soviets will play are the Universities of Maryland and North Carolina and Georgia Tech.

VANTAGE POINT/Thomas Boswell

Game Plan for a Big League Revolution

Washington Post Service
If you can't join 'em, lick 'em. It's time for eight of the richest and most prestigious American cities to declare war on major league baseball and form their own league.

Call it the Independence Baseball League. And the sooner we get started the better.

Washington, Miami, Tampa, Phoenix, Denver, Buffalo, Indianapolis and New Jersey — you are the future. The National Football League already knows it.

For nearly 20 years, baseball has ignored these growing boomtowns. Miami and Washington are world-class cities, both among the nation's 10 best markets. Tampa and Phoenix have the two best climates in the country and define the charms of the Sun Belt. Denver is the hub of the new West. Buffalo and Indianapolis are sports-crazy and have proved that they deserve teams more than such old-timers as Seattle, Cleveland and Pittsburgh. The Meadowlands complex in New Jersey would be perfect for baseball.

These major metropolises don't have to take baseball's carping double talk anymore. For the past five years, baseball has flagrantly teased and tormented these and other growing towns. They deserve better. Let's stop waiting and wait up. Let's admit that expansion isn't coming soon. Maybe not even in this century. It's baseball's Big Lie.

Yes, it is time for a baseball revolution. How would we do it? Simple. Raid the Red Sox roster for malcontents. Go after the next Tigers free agent. Poach the Dodgers' AAA prospects sick of being stockpiled. Beat the A's to the punch in the amateur draft, where even the best college players can be signed for \$200,000. Outbid the Mets for the young. And offer all those decrepit old Yankees an alternative home for aging but colorful veterans.

Then, to top off our scheme, when the entire 1990 major league season is wiped out by an idiotic owner-driven strike, we'll offer major league vets a place to earn a thousand bucks a game while the owners are locking them out. Some might even be so happy they would stay in our league, heh, heh.

Go on, laugh. But listen. It makes sense. Thanks to baseball's five-year tests, our eight cities would be ready to gear up instantly. All Peter Ueberroth's lovely criteria for joining baseball's fraternity? Well, they work just as well as ground rules for our league. Thanks, Mr. Commissioner. You did our work for us. Many of the new stadiums are in place or being built and the ownership groups formed.

Who would buy teams? Donald Trump (New Jersey), Jack Kent Cooke (Washington) and Marvin Davis (Denver) are already lined up. They would amuse up in a day.

One of our biggest allies would be the major league players union. More jobs. More competition. An honest marketplace. "We'd love it," said the union lawyer, Eugene D. Orza. "As Henry Kissinger once said about a foreign

Nearly 15 percent of the U.S. population is held hostage by baseball's refusal to expand.

policy position. 'It has the added advantage of being true.' Well, a new league would have the added advantage of being the American Way to do business."

The only legal fight the Independence League might face would be in trying to sign away — steal, that is — minor league players. The majors might have legal grounds to fight. But could they win? The union would love to help us find out. What court would deny a \$20,000-a-year minor-leaguer, who has been in the bush leagues for five years, a chance to earn \$100,000 in another job?

Who would our league play in its equivalent of the World Series? Why not the champs of the Japanese league, which already plays at a level better than AAA. Think of it: Washington against the Tokyo Giants.

What would our new league offer? All grass fields, for certain. No domes, ever. And no designated hitter. Fans would hail that. As a side benefit, the pitchers in our league (who probably wouldn't be the greatest) would be helped by the no-DH rule, which would eliminate a hitter. The no-turf rule, which would cut down on stolen bases, would also help our pitchers survive. There would still be tons of offense in our new league because good hitters usually outnumber good pitchers. Remember, fans love hitting.

Where would we get our players? Are you joking? Grab 'em young. Because the major leagues have a monopoly, they pay minor league players peanuts.

To sweeten the pot, we will offer all players in our league free agency after just four years and arbitration after their rookie season. More money faster!

Major league salaries are now so insane that decent players in the middle of their careers are

being forced out all the time; their salaries, thanks to arbitration, are "too high," so they are dumped in favor of rookies who won't be eligible for free agency for six years. The union is furious about this practice. We would snap up those guys.

Also, nobody wants to retire anymore. Seasoned veterans like Phil Niekro, Jim and Gaylord Perry, Steve Carlton, Tom Seaver and Jim Palmer would probably sign the first day. Reggie Jackson and Pete Rose will get the tick. (Would we ban Pete? No way. Get him in a good 28-day gamblers' rehabilitation program.)

Finally, we would raid AAA ball, which is full of players who are fed up with waiting. They barely earn a living wage and have no pension or health benefits. So what if our league's average salary were only a third of the big leagues' — say \$150,000. That's still many times what busboys make now.

Where, oh where, could we go to find a TV network? Once again, Ueberroth has laid the groundwork. NBC and ABC wouldn't be interested, would they? Not much, but CBS stole their whole package.

Let ABC and NBC have the rights for one-tenth what the major leagues get, just \$100 million.

One new league can start fresh, learning all the lessons that the big leagues never grasp. First, have revenue sharing, just like the NFL. Pool all TV money, except local. Split it all.

Play more day games to get a younger audience; offer an alternative. Reinvent the bleachers with \$2 tickets.

Right now, nearly 15 percent of the U.S. population is held hostage by baseball's refusal to expand. Tens of millions of people live in cities that are, in every way, ready for big league baseball.

"Baseball has no intention of expanding. They never do unless they're forced to by legal action," says Orza, the attorney for the players' union. "They have it just the way they want it right now."

Teams can blackmail the cities that they're in because the threat of, say, the White Sox moving to Florida, is so realistic," he says. "The baseball owners want to keep great cities like Washington empty because it makes them all richer by giving them so much more leverage."

Within five years, you can bet that the major leagues would promise at least six towns a big league franchise as part of a merger. Without such a new Independence League, we could wait forever.

Of course, by then, we might be having too much fun to accept the offer.

March Madness
Australian Olympian

The Associated Press
SANTA MONICA, California — Andrew Gaze was skeptical about finding a basketball summit as high as the Olympics — until the kid from Australia experienced March Madness.

Now there is some doubt and a lot of excitement as Gaze and Seton Hall, 30-4, prepare for the semifinals of the U.S. collegiate basketball championships in Seattle on Saturday against Duke, 28-7.

"I think I had an idea what it would be like, but now that I've experienced it, I think it's definitely one of the highlights of my career," said Gaze, a 6-foot-7 (2.01-meter) long-range shooting swingman from Melbourne. "I can compare it to the Olympics, although the Olympics is what I grew up with, and representing your country is hard to beat. This ranks up there."

Gaze, the second-leading scorer at the Seoul Games when he played for Australia, seemingly has played some of his best for the Final Four of the National Collegiate Athletic Association tournament. He has averaged almost 15 points per game — just under a point more than his regular-season average — and was named the outstanding player in the West regional after leading the Pirates to victories over Indiana and Nevada-Las Vegas.

But Gaze didn't just do it with his scoring. He did it with his defense — especially against Stacey Augmon of UNLV — his passing and his leadership.

"I think everyone on the team looks to him because he has played in two Olympics and because he remains so calm in any situation," Bruce Hambringer, Seton Hall's assistant coach, said. "Nothing fazes him and that just rubs off on everyone."

Sometimes that unflappable and easy-going attitude pops up in the unlikely places, such as at halftime in the regional semifinal against Indiana at Denver.

Seton Hall had an eight-point lead and coach P.J. Carlesimo was going through some Xs and Os when Gaze interrupted him.

"Coach, who do we play next and when?" Gaze reportedly said. "It just broke everyone up and the Pirates came out and made sure they got to that next game, against UNLV."

Carlesimo said having the 23-year-old, slightly graying Gaze on the floor is like having another point guard because he sees the floor so well.

"He rarely does anything wrong," Carlesimo said. "He understands the game so well and that's because of the way he was brought up."

Gaze's father, Lindsay, was the longtime coach of the Australian national team and still coaches his son's club team, the Melbourne Tigers.

For Gaze, this might be his first and only season of collegiate basketball in the States. Although only a junior, Gaze is committed to play with his club team from April to the beginning of October, and he doubts the NCAA will grant a waiver to let him play next year.

Lawyer Says Rose Inquiry Will Take Several Weeks

New York Times Service
NEW YORK — The Pete Rose investigation will take "at least several more weeks," the lawyer heading the inquiry said Tuesday.

John M. Dowd, the Washington lawyer who is acting as special counsel to the baseball commissioner, issued a statement to clarify what he said were inaccurate rumors about the timing of an announcement on the outcome of the inquiry into allegations involving the Cincinnati Reds' manager.

Neither Dowd nor anyone in baseball has said what the allegations involve, but there have been widespread reports and speculation

that they center on Rose's gambling habits.

The commissioner's office announced March 20 that it had been conducting for several months "a full inquiry into serious allegations" involving Rose.

"The investigation, Dowd said in a statement issued by the commissioner's office Tuesday, "is proceeding at full pace."

"I have advised Commissioner Ueberroth and Commissioner-elect Giamatti that in my judgment it is likely that the investigation will require at least several more weeks," Dowd said. "Rumors to the contrary are inaccurate and prompted this clarification."



Pete Rose: Career on the line.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE				
Team	W	L	Pct.	GB
New York	46	34	.575	
Philadelphia	38	42	.475	7 1/2
Boston	35	45	.438	10
Washington	34	46	.425	11
New Jersey	34	46	.425	11
Charlotte	17	63	.215	28 1/2

CENTRAL DIVISION				
Team	W	L	Pct.	GB
Chicago	30	50	.375	
Cleveland	29	51	.363	1 1/2
Indiana	28	52	.350	3
Atlanta	24	56	.300	7 1/2
Memphis	21	59	.260	10 1/2

WESTERN CONFERENCE				
Team	W	L	Pct.	GB
Utah	44	38	.538	
Portland	38	44	.463	6
Denver	37	45	.451	7
Dallas	31	51	.380	13
San Antonio	19	63	.232	25
Phoenix	13	69	.159	31

PACIFIC DIVISION				
Team	W	L	Pct.	GB
L.A. Lakers	47	31	.604	
Phoenix	45	33	.577	2
Seattle	39	39	.500	6
Golden State	38	40	.488	7
Portland	32	46	.413	13
Oakland	28	50	.360	17
S.A. Clippers	15	63	.238	30

TUESDAY'S RESULTS				
Team	W	L	Pct.	GB
New Jersey	91	88	.505	
Atlanta	91	88	.505	
San Antonio	91	88	.505	
Phoenix	91	88	.505	
Golden State	91	88	.505	
Portland	91	88	.505	
Oakland	91	88	.505	
S.A. Clippers	91	88	.505	

Seattle	39	30	.565	8 1/2
Golden State	38	31	.551	9 1/2
Portland	32	36	.471	15
Sacramento	28	40	.414	27
L.A. Clippers	15	53	.221	32
(in attached playoff berth)				

...for for his
"Rain Man," which
was three other Os-
The movie has made a
difference in the
of autistic people and
families
Page 20.